90-814

No. ——

IN THE

Supreme Court of the United States

OCTOBER TERM, 1990

ASHLEY ELLIOTT,
Petitioner,

v.

MERCURY MARINE, a Division of Brunswick Corporation,
Respondent.

Petition for a Writ of Certiorari to the United States Court of Appeals for the Eleventh Circuit

PETITION FOR A WRIT OF CERTIORARI

BRUCE J. ENNIS, JR.*
ANN M. KAPPLER
JENNER & BLOCK
21 Dupont Circle, N.W.
Washington, D.C. 20036
(202) 223-4400

R. BEN HOGAN, III
HOGAN, SMITH, ALSPAUGH, SAMPLES & PRATT, P.C.
2323 Second Avenue North
Birmingham, Alabama 35203
(205) 324-5635

Counsel for Petitioner Ashley Elliott

* Counsel of Record

WILSON - EPES PRINTING CO., INC. - 789-0096 - WASHINGTON, D.C. 20001

QUESTION PRESENTED

Where the United States Court of Appeals for the Eleventh Circuit set aside a jury verdict solely on the basis of its view of unsettled issues of Alabama state law, and where the Supreme Court of Alabama has consented to answer questions presenting those identical issues as certified to the state court by the United States District Court for the District of Alabama, do fundamental fairness and the well-established principles of comity and cooperative judicial federalism necessitate that this Court vacate the Eleventh Circuit's decision and remand for reconsideration in light of the Supreme Court of Alabama's answer to the certified questions?

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PETITION FOR A WRIT OF CERTIORARI

Petitioner Ashley Elliott respectfully prays that a writ of certiorari issue to review the judgment and opinion of the United States Court of Appeals for the Eleventh Circuit entered in the above-entitled proceeding.[1]

OPINION BELOW

The opinion of the Court of Appeals for the Eleventh Circuit, entered on June 25, 1990, is reported at 903 F.2d 1505, and is reprinted in the Appendix to this petition at 1a.

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[1] The parties to the proceeding below were petitioner and Brunswick Corporation, which appeared through its division, Mercury Marine.

JURISDICTION

This suit was tried in the United States District Court for the Northern District of Alabama pursuant to that court's diversity jurisdiction, 28 U.S.C. Sec. 1332. The court entered judgment for petitioner, pursuant to the jury's verdict, on January 17, 1989. *See* p. 14a, *infra.*

On appeal, the Eleventh Circuit invoked its jurisdiction under 28 U.S.C. Sec. 1291 and 1294 and reversed in a judgment and opinion entered on June 25, 1990. *See* p. 1a, *infra.* The Eleventh Circuit denied a timely petition for rehearing en banc and refused to certify unsettled and dispositive questions of state law to the Alabama Supreme Court on August 24, 1990. *See* p. 12a, *infra.* Jurisdiction is conferred on this Court by 28 U.S.C. Sec. 1254(1).

PROVISION INVOLVED

Rule 18(a) of the Alabama Rules of Appellate Procedure provides:

> "*When Certified.* When it shall appear to a court of the United States that there are involved in any proceeding before it questions or propositions of law of this state which are determinative of said cause and that there are no clear controlling precedents in the decisions of the supreme court of this state, such federal court may certify such questions or propositions of law of this state to the supreme court of Alabama for instructions concerning such questions or propositions of state law, which certified questions the supreme court of this state, by written opinion, may answer.

STATEMENT OF THE CASE

Introduction

In this diversity action, after removal from a state court that had found petitioner's claims cognizable under state law, and after the federal District Court had up-

held a jury verdict for petitioner under state law, the Eleventh Circuit resolved the dispositive questions of state law differently, and then refused to certify those questions to the Supreme Court of Alabama. The Supreme Court of Alabama has now agreed to resolve those unsettled questions of state law upon certification from a federal District Court in another case raising "identical" issues, and is likely to decide the questions differently from the way they were decided by the Eleventh Circuit. If this occurs, it would be fundamentally unfair and contrary to principles of comity and cooperative judicial federalism to treat petitioner differently than all other litigants with respect to those state law issues. Accordingly, the Court should grant certiorari, vacate, and direct the Eleventh Circuit to reconsider its determination of those state law issues once the Alabama Supreme Court has ruled,[2] or, alternatively, the Court should hold this petition for consideration after the Supreme Court of Alabama has ruled.

Facts

On July 24, 1982, Ashley Elliott ("Elliott"), then fourteen years old, was struck by the sharp metal blades of a rotating propeller when she jumped into water and was run over by a motor boat travelling at 5 m.p.h. The boat involved was a "planing" pleasure craft.[3] As a result of the incident, Elliott suffered grievous injuries requiring extensive surgery.[4]

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[2] The Eleventh Circuit could also certify the questions presented in this case to the Supreme Court of Alabama and ask that they be consolidated with the previously certified questions.

[3] "Planing" means that as these boats increase speed, they lift out of the water and "plane" on the surface.

[4] Elliott sustained three deep gashes to the bone in her buttock area and one in her calf. One of these cuts was so deep it severed the sciatic nerve, causing paralysis below the knee. Another neces-

Elliott filed suit in Alabama state court on July 22, 1983, against Sportcraft, Inc. ("Sportcraft"), the manufacturer of the boat that struck her; Mercury Marine,[5] the manufacturer of the boat's motor, including the drive mechanism requiring a propeller; and several others. All defendants except Mercury and Sportcraft settled with petitioner prior to trial. The state court overruled motions to dismiss filed by Mercury and Sportcraft. In July 1988, Mercury and Sportcraft removed the case to the United States District Court for the Northern District of Alabama. The case was tried in August 1988. The jury failed to reach a verdict as to Mercury, and the District Court declared a mistrial.[6]

In January 1989, the case was retried in the District Court. Elliott contended that the marine engine manufactured by Mercury was defective under the Alabama Extended Manufacturers Liability Doctrine ("AEMLD") for failure to incorporate a propeller guard into its design, and alternatively that Mercury was negligent or wanton in failing to design, manufacture and market its product with a propeller guard. Elliott alleged that this defective design enhanced her injuries. During the trial the jury heard evidence, including expert testimony, from both parties regarding the feasibility of boat engine propeller guards. At the close of evidence, the District Court denied Mercury's motion for a directed verdict. The court instructed the jury on three state law theories of recovery: (1) compensatory damages based

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sitated a colostomy. Elliott had to undergo nine surgical procedures. She still is partially crippled, with disfiguring scarring.

[5] Respondent Mercury Marine is a division of Brunswick Corporation ("Brunswick"). Before the case went to trial, Brunswick was substituted for Mercury Marine in plaintiff's complaint. After the jury verdict was entered in favor of Elliott, Brunswick appealed solely in the name of Mercury Marine. Both companies will be referred to collectively as "Mercury."

[6] The jury entered a verdict in favor of Sportcraft.

on alleged negligence, (2) compensatory damages based on alleged product liability under AEMLD, and (3) punitive damages based on alleged wantonness. After considering the evidence in light of the court's instructions, the jury returned a verdict in favor of Elliott in the amount of $1.5 million compensatory damages and $3.0 million punitive damages. The District Court reduced the amount of the verdict by the sums Elliott had received in settlement from other defendants, and entered a judgment against Mercury in the amount of $4,375,000.00. *See* p. 14a, *infra.*[7]

Mercury appealed, raising numerous issues. The Eleventh Circuit reversed, addressing only one issue: the court ruled, as a matter of law, that Elliott failed to establish Mercury's liability under either AEMLD product liability or Alabama negligence law, and therefore Mercury's motion for directed verdict should have been granted. The Eleventh Circuit concluded that both of Elliott's theories of liability apply "[v]irtually the same principles" with regard to an allegedly defective design. 903 F.2d at 1506; 4a. In the court's view, both theories require Elliott to demonstrate (1) "'that the product does not meet the reasonable expectations of an ordinary consumer as to its safety,'" *id.* at 1507; 4a (quoting *Casrell v. Altec Indus., Inc.*, 335 So.2d 128, 133 (Ala. 1976)), and (2) that a "'safer, practical, alternative design was available to the manufacturer at the time it manufactured the [product],'" *id.* (quoting *General Motors Corp. v. Edwards*, 482 So.2d 1176, 1191 (Ala. 1985)). The court held that Elliott had failed to establish either element of her two causes of action, and thus had not presented a *prima facie* case under the AEMLD or Alabama negligence law. *Id.*; 5a.

The Eleventh Circuit labeled the first element the "consumer expectation test." The court acknowledged that,

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[7] The District Court subsequently denied Mercury's Motion for Judgment Notwithstanding the Verdict or in the Alternative for Remittitur, or in the Alternative for a New Trial.

under Alabama law, "a jury ordinarily evaluates a plaintiff's claim that a product is defective." 903 F.2d at 1507; 5a. Nevertheless, the court ruled that Elliott's claim that Mercury's boat engine was defectively designed should *not* have gone to the jury. The basis for this conclusion was the court's finding that "certain products whose inherent danger is patent and obvious, do not, *as a matter of law*, involve defects of a sort that a jury should resolve." *Id.* (emphasis added). In support of this view of Alabama law, the court cited two cases that involved claims by intended users that the product was defective for its failure to warn of potential dangers when used; whereas this case involves alleged defects in a product's design that foreseeably enhanced injuries to a third party, not the user of the product. *See id.* (citing *Entrekin v. Atlantic Richfield Co.*, 519 So.2d 447, 450 (Ala. 1988), and *Hawkins v. Montgomery Indus. Int'l, Inc.*, 536 So.2d 922, 926 (Ala. 1988)). Without looking to any analogous Alabama caselaw, and relying (without explanation) only on a 1971 Georgia intermediate appellate case, the Eleventh Circuit then held "that the dangers inherent in Mercury's product should have been apparent to, or within the contemplation of, Elliott"—despite the fact that she was not the intended user of the product—and therefore, as a matter of law, "Mercury has not manufactured a defective product." 903 F.2d at 1507; 6a (citing *Stovall & Co. v. Tate*, 124 Ga.App. 605, 184 S.E.2d 834, 838 (1971)).

In the second portion of its decision, the Eleventh Circuit held that Elliott "failed to produce evidence that Mercury had access to a safe, practical design for propeller guards at the time of her accident" and therefore failed to establish liability under state AEMLD or negligence theories. 903 F.2d at 1509; 10a. The court cited *no* Alabama case law in support of its conclusion. Relying instead (without explanation) on an Oregon case, the court stated that in order to submit design-defect allegations to the jury, it is not enough to show the

"technical feasibility of a safe design"; there must also be evidence from which the jury could find that the suggested alternative is "practicable in terms of costs and the over-all design and operation of the project." *Id.* at 1510; 10a (quoting *Wilson v. Piper Aircraft Corp.*, 282 Or. 61, 577 P.2d 1322, 1326-1327 (1978)). In the court's view, Elliott had failed to make this latter showing because the Eleventh Circuit's assessment of the evidence was that propeller guards could not yet be marketed for general use, that propeller guards presented some problems, and that a satisfactory guard was not available. *Id.* at 1509; 11a.[8] The Eleventh Circuit found that "an experimental propeller guard, useful for some purposes, existed at the time of [Elliott's] accident," but refused to "hold Mercury for its failure to adapt and refine that design into one feasible for use on planing propeller craft." 903 F.2d at 1508; 6a.[9] Accordingly, the court held that Elliott's claims should not have gone to the jury.

In her petition for rehearing en banc and to certify questions to the Alabama Supreme Court, Elliott argued that the panel had misinterpreted Alabama law. Elliott urged the Eleventh Circuit to utilize the certification procedures of Rule 18 of the Alabama Rules of Appellate Procedure, and to ask the Supreme Court of Alabama to determine the dispositive issues of state law upon

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[8] The Eleventh Circuit based these conclusions on *its* view of four aspects of the testimony of both parties' experts. 903 F.2d at 1509; 10a. As we will show *infra*, it is likely the Supreme Court of Alabama would view these conclusions as irrelevant because Alabama law only requires a showing that an alternative design is technically and economically feasible, not that alternative designs have been marketed for general use.

[9] Acknowledging that "it was possible to equip these boats with guards," 903 F.2d at 1509; 9a, the Eleventh Circuit noted that rescue units in parts of California, as well as in New Zealand and Australia, use propeller guards; moreover, the United States Marine Corps landing craft at one time used guards. *Id.* at 1508 n.2; 7a n.2.

which the panel had ruled. The Eleventh Circuit denied Elliot's petition, without opinion, on August 24, 1990. *See* p. 14a, *infra*.

Shortly thereafter, on September 19, 1990, the same District Court judge who had upheld the jury verdict in Elliott's lawsuit certified five questions of Alabama law to the Supreme Court of Alabama in another lawsuit presenting precisely the same legal issues as this case. *See Beech v. Outboard Marine Corp.*, Civil Action No. 89-AR-0789-M, Certificate from the United States District Court for the Northern District of Alabama to the Supreme Court of Alabama Pursuant to Rule 18, Alabama Rules of Appellate Procedure (Sept. 19, 1990); 19a.[10]

The plaintiff in *Beech* was run over and severely injured while swimming near a boat powered by an outboard motor manufactured by defendant Outboard Marine Corporation ("OMC"). Plaintiff, through his father, sued OMC alleging that the OMC engine was defective because OMC failed to incorporate a propeller guard. In moving for summary judgment in *Beech*, OMC argued that the issues of Alabama law controlling that case are indistinguishable from the issues ruled upon by the Eleventh Circuit in this case. The District Court agreed. Indeed, the court remarked that "[i]t is so highly unusual as to amount to a miracle that this court is now confronted with the identical issues of Alabama law recently presented to it in *Elliott*." *Beech v. Outboard Marine Corp.*, Civil Action No. 89-AR-0789-M, Memorandum Opinion at 3-4 (N.D. Ga., Sept. 19, 1990); 17a. The District Court noted, as did the Eleventh Circuit, that *General Motors Corp. v. Edwards*, *supra*, was the most relevant state law decision. The District Court concluded, however, that *Edwards* was not clearly controlling. The court ruled that "there exist questions or propositions of

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[10] The questions were drafted by the District Court judge, not by either party. *See* p. 18a, *infra*.

law which are determinative of this cause and that there are no clear controlling precedents of the Supreme Court of Alabama on the said questions or propositions." *Id.* at 2; 16a. Because the District Court could see "no legitimate, factual or legal distinction between *Elliott* and [*Beech*]," [11] the court "deem[ed] it appropriate that the highest appellate court in the state of Alabama, the state whose substantive laws are necessarily to be applied, be given an opportunity to express itself before [the District Court] expresses itself." *Id.* at 4; 18a.[12]

On October 9, 1990, OMC petitioned the Eleventh Circuit for a writ of mandamus, pursuant to Rule 21 of the Federal Rules of Appellate Procedure, to direct the District Court (Hon. William M. Acker, Jr.) to withdraw its order in *Beech* certifying questions to the Supreme Court of Alabama. OMC again argued that because the case against OMC in *Beech* is identical to this case (it involves the same claims, the same legal issues, the same technical issues, and the same expert witnesses), it must be controlled by the Eleventh Circuit's decision in this case.

On October 11, 1990, the Supreme Court of Alabama consented to answer the questions certified by the District Court in *Beech*. *Beech v. Outboard Marine Corp.*, No. 89-1815, Order (Oct. 11, 1990); 23a. The Supreme Court stated the certified questions as follows:

> "1. Assuming that several witnesses for plaintiff and several witnesses for defendant, all having the threshold credentials and qualifications to be allowed to express opinions as experts on water safety and/or

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[11] The court noted, in paritcular, that the expert witnesses in *Beech* will either be identical to those who testified in *Elliott*, or will be making the same technical and bio-mechanical arguments. *Id.* at 4; 18a.

[12] Accordingly, the court decided to keep OMC's motion for summary judgment under advisement until the Supreme Court of Alabama either answered the certified questions or declined to accept certification. *Id.*

boat propeller design and/or the feasibility of designing a guard for a boat propeller, express differing opinions as to the feasibility and desirability of designing and marketing a propeller guard for pleasure craft which, while arguably creating other dangers, would, in fact, have protected a swimmer under certain circumstances against certain kinds of propeller injuries, can a swimmer injured under such circumstances by an unguarded propeller present a prima facie case under the Alabama Extended Manufactures Liability Doctrine (AEMLD); or is the trial court precluded from submitting to the jury the question of whether or not a safer practical alternative design could have been or should have been made available to the consuming public?"

"2. Is is possible under AEMLD for an injured swimmer to present expert testimony which will make out a jury issue of product defect when the only alleged defect is the absence of a guard on a pleasure boat propeller on an outboard motor and when the only evidence offered by plaintiff is that a feasible propeller guard *could have been* designed by a proper use of the manufacturer's resources?"

"3. As a matter of Alabama law, is or is not a pleasure boat's unguarded propeller dangerous beyond the expectation of an ordinary consumer?"

"4. Assuming that several witnesses for plaintiff and several witnesses for defendant, all having the threshold credentials and qualifications to be allowed to express opinions as experts on water safety and/or boat propeller design and/or the feasibility of designing a guard for a boat propeller, express differing opinions as to the feasibility and desirability of designing and marketing a propeller guard for pleasure craft which, while arguably creating other dangers, would, in fact, have protected a swimmer under certain circumstances against certain kinds of propeller injuries, can a swimmer injured under such circumstances by an unguarded propeller present a prima facie case under a negligence theory, or is the

court precluded from submitting to the jury the question of whether or not the failure to provide such a propeller guard constitutes negligence?"

"5. Assuming that several witnesses for plaintiff and several witnesses for defendant, all having the threshold credentials and qualifications to be allowed to express opinions as experts on water safety and/or boat propeller design and/or the feasibility of designing a guard for a boat propeller, express differing opinions as to the feasibility and desirability of designing and marketing a propeller guard for pleasure craft which, while arguably creating other dangers, would, in fact, have protected a swimmer under certain circumstances against certain kinds of propeller injuries, can a swimmer injured under such circumstances by an unguarded propeller present a prima facie case under a wantonness theory, or is the court precluded from submitting to the jury the question of whether or not the failure to provide such a propeller guard constitutes wantonness?"

On October 29, 1990, the Eleventh Circuit denied OMC's petition for writ of mandamus. *In re: Outboard Marine Corp.*, No. 90-7686, Order (11th Cir., Oct. 29, 1990), p. 26a, *infra.*[13]

After briefing on the five certified questions, the Supreme Court of Alabama will be poised to answer those questions. *See* p. 23a, *infra.*[14]

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[13] Before the Eleventh Circuit ruled on OMC's petition, the Supreme Court of Alabama granted OMC's motion to stay the certification proceeding in light of OMC's petition for writ of mandamus. After the Eleventh Circuit denied the petition, OMC petitioned for rehearing, and that petition is still pending. In deference to the federal court, the Supreme Court of Alabama has not yet lifted its stay.

[14] Beech served his opening brief on October 26, 1990.

REASONS FOR GRANTING THE WRIT

I. FUNDAMENTAL FAIRNESS AND THE PRINCIPLES OF COMITY AND COOPERATIVE JUDICIAL FEDERALISM COUNSEL THAT THE ELEVENTH CIRCUIT'S DECISION BE VACATED AND, IF NECESSARY, CORRECTED ONCE THE SUPREME COURT OF ALABAMA HAS AUTHORITATIVELY SPOKEN ON THE CONTROLLING ISSUES OF ALABAMA LAW.

The unresolved issues of Alabama law currently pending before the Supreme Court of Alabama are identical to the dispositive state law issues the Eleventh Circuit decided below. It is possible—even likely—that the Supreme Court of Alabama will resolve those state law issues differently from the way they were decided by the Eleventh Circuit. If this occurs, fundamental fairness and well-established principles of comity and cooperative federalism would necessitate that the Eleventh Circuit's erroneous interpretation of state law be corrected so that identically situated parties (Elliott and Beech) be treated the same.

Pursuant to the *Erie* Doctrine, a federal court sitting in diversity must apply the substantive law of the State in which it sits. *See Erie v. Tompkins*, 304 U.S. 64 (1938). The Eleventh Circuit was therefore obligated to apply Alabama law in reviewing the judgment sustaining Elliott's AEMLD and negligence claims against Mercury. The parties vigorously argued the relevant legal issues, pursuant to Alabama precedents. In both aspects of its decision, however, the Eleventh Circuit travelled into uncharted waters. Alabama law has not addressed the issue of whether a jury is barred from considering whether an unguarded boat propeller meets the reasonable expectations of an ordinary consumer as to its safety. Nor has Alabama law addressed whether a jury can consider whether a manufacturer should have used a safer product when safer product designs were technically and economi-

cally feasible, even if they were not generally marketed. In both regards, the Eleventh Circuit's decision stands as the first, and only, pronouncement of Alabama law.

But only two months after the Eleventh Circuit refused to certify the questions, the Supreme Court of Alabama agreed to decide the very same unresolved issues of state law. The Supreme Court of Alabama is, of course, "the final expositor[] of [Alabama] state law" and of state policies that underlie it. *England v. Louisiana State Bd. of Medical Examiners*, 375 U.S. 411, 415 (1964). Once that court has spoken on the issues, all other courts, including the Eleventh Circuit, must follow its judgment. *See, e.g., Exxon Corp. v. Eagerton*, 462 U.S. 176, 181 n.3 (1983); *Commissioner v. Estate of Bosch*, 387 U.S. 456, 463 (1967); *Commercial Union Ins. Co. v. Bituminous Cas. Corp.*, 851 F.2d 98, 100 (3d Cir. 1988).[15] Thus, if the Supreme Court of Alabama disagrees with the Eleventh Circuit—and it most likely will, as discussed *infra*—Elliott will be in the anomalous position of being the only litigant penalized by the Eleventh Circuit's incorrect statement of Alabama law.[16]

The inequity of this result is heightened by the fact that Elliott originally brought her suit in *state* court, which ruled that her claims *were* cognizable under Alabama law. The defendants moved to dismiss the state court action, claiming that Elliott had not stated an AELMD or negligence cause of action. The Alabama

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[15] *See also* 19 C. Wright, A. Miller, E. Cooper, Federal Practice and Procedure § 4507 at 91-92 & nn. 31 & 32 (1982 & Supp. 1990) (citing cases) (hereafter "Wright & Miller").

[16] In analogous circumstances, this Court has granted certiorari to ensure that identically situated parties are treated equally. *Gondeck v. Pan Am. World Airways, Inc.*, 382 U.S. 25 (1962) (*per curiam*). In fact, in *Gondeck*, the Court granted certiorari "in the interests of justice" even though it had previously denied certiorari in the same case. *Id.* at 27. It did so because a subsequent decision resulted in the petitioner "stand[ing] completely alone" in his erroneous treatment under the controlling law. *Id.*

trial court denied those motions. Thus, that state court, at least, believed that Elliott had, as a matter of Alabama law, stated a valid claim against Mercury. Had respondent not removed the case to federal court, the Alabama state courts would have continued to rule on the Alabama state law issues presented in this case and vigorously argued by the parties.[17] And Elliott would have had the benefit of the state court's correct, authoritative pronouncement of state law, rather than the Eleventh Circuit's inaccurate projection. The *Erie* Doctrine is premised on the principle that "the rights of the litigant should not depend upon the accident of diversity of citizenship." Corbin, The Laws of the Several States, 50 Yale L.J. 762, 774 (1941). Yet this may be exactly Elliot's plight unless this Court vacates the Eleventh Circuit's decision and directs the Eleventh Circuit to reconsider respondent's appeal in light of the Supreme Court of Alabama's definitive statements of controlling Alabama law.

Vacating the Eleventh Circuit's decision and remanding for that court's reconsideration after the Supreme Court of Alabama rules in *Beech*, so that the federal court can be correctly informed by the state court's authoritaitve judgment, would give life to "the important considerations of comity and cooperative federalism which are inherent in [our] federal system." *Lehman Bros. v. Schein*, 416 U.S. 386, 393-394 (1974) (Rehnquist, J., concurring). Indeed, it is the desire to "build a cooperative judicial federalism," *id.* at 392, which has led this Court to embrace whole-heartedly the certification process adopted by many States, including Alabama. *See, e.g.*,

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[17] Indeed, had the Eleventh Circuit certified the unresolved questions to the Supreme Court of Alabama, as Elliott requested, the present inequitable situation would not have arisen. The Eleventh Circuit has not hesitated to employ the Supreme Court of Alabama's certification procedure in other cases. *See, e.g., Integrity Ins. Co. v. King Kutter, Inc.*, 866 F.2d 408 (11th Cir. 1989); *Scott v. Board of Trustees*, 815 F.2d 653 (11th Cir. 1987); *Washburn v. Rebun*, 755 F.2d 1404 (11th Cir. 1985).

Zant v. Stephens, 456 U.S. 410, 416 (1982); *Elinks v. Moreno*, 435 U.S. 647, 668-669 (1978); *Bellotti v. Baird*, 428 U.S. 132, 151-152 (1976). Unnecessarily allowing the Eleventh Circuit to create and apply a rule of state law that conflicts with the law established by the highest court of the State "offend[s] the comity due to local courts." *Santiago-Hodge v. Parke Davis & Co.*, 859 F.2d 1026, 1033 (1st Cir. 1988) (certifying unsettled question to Supreme Court of Puerto Rico).[18]

Awaiting the ruling of the Supreme Court of Alabama would not be a futile gesture. It is very likely that the state court will provide answers to the certified questions that directly conflict with the conclusions the Eleventh Circuit reached below. The Supreme Court of Alabama's ruling in *Beech* is almost certain to demonstrate that the Eleventh Circuit was wrong in reversing, on state law grounds, the jury verdict and judgment in favor of Elliott.

First, the Eleventh Circuit departed from accepted federal practice in ascertaining the relevant Alabama law.[19]

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[18] "[R]eal injustice is done to the litigants and, worse, more damage is done to the states' jurisprudence and its policies by a headstrong, resolute, inflexible determination on the part of a federal court to barge ahead in a sort of ascetic, misguided impulse, than will likely result from the slight delay occasioned by invoking state adjudication of the controlling issues. For the simple fact is that more and more, more federal courts are being overruled by more state courts on local issues upon which such federal courts have undertaken to read the *Erie* signs in the quest of the *Winter Haven* grail."

United States v. Buras, 475 F.2d 1370, 1373-1374 n.5 (10th Cir. 1972) (Brown, C.J., dissenting from denial of petition for rehearing en banc) (internal quotations, citations, and footnotes omitted), *cert. denied*, 414 U.S. 865 (1973).

[19] It is remarkable that the Eleventh Circuit was so sanguine about reversing the District Court on the issues of state law, for it is generally accepted that such decisions are accorded considerable deference on appeal on the understanding that the District Court judge has greater familiarity with the law of the State in

In applying state law in diversity suits, the federal court "functions as a proxy for the entire state court system and therefore must apply the law that it conscienciously believes would have been applied in the state court system." 19 Wright & Miller § 4507 at 89. The proper function of a federal court in diversity "is to ascertain what the state law is, not what it ought to be." *Klaxon Co. v. Stentor Elec. Mfg. Co.*, 313 U.S. 487, 497 (1941). In the absence of controlling state law, the federal court is not free to indulge its preferences as to how the common law should develop, but must determine how the highest state court would decide the issue. *E.g., Towne Realty, Inc. v. Safeco Ins. Co. of America*, 854 F.2d 1264, 1268-1269 (11th Cir. 1988); *United Parcel Serv., Inc. v. Weben Indus., Inc.*, 974 F.2d 1005, 1008 (5th Cir. 1986).[20] In making that judgment, the federal court must look to decisions by the state supreme court in analogous cases, and to decisions of lower courts in that State. Decisions of courts of other States and other federal courts may provide some insight, *if the state supreme court would have looked to those decisions in formulating its substantive law.* Other legal sources, such as treatises and law review commentaries may also be helpful. *See, e.g., Nicolson v. Life Ins. Co. of Southwest*, 783 F.2d 1316, 1319 (1986); *McKenna v. Ortho Pharmaceutical Corp.*, 622 F.2d 657, 662-663 (3d Cir.), *cert. denied*, 449 U.S. 976 (1980); *Socony-Vacuum Oil Co. v. Continental Cas. Co.*, 219 F.2d 645, 647 (2d Cir. 1955). *See generally* 19 Wright & Miller § 4507 at 91-103.

In concluding that, under Alabama law, an unguarded boat propeller is not dangerous beyond the reasonable expectations of an ordinary consumer, the Eleventh Circuit cited *no* Alabama authority. *See* 903 F.2d at 1507;

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which he sits. *See, e.g., Balliache v. Fru-Con Const. Corp.*, 866 F.2d 798, 799 (8th Cir. 1989); *Hines v. Joy Mfg. Co.*, 850 F.2d 1146, 1150 (6th Cir. 1988).

[20] *See* 19 Wright & Miller § 4507 at 103 & n.55 (citing cases).

5a.[21] Instead, the federal court quoted dicta from an intermediate Georgia state court regarding a manufacturer's liability for injuries caused by an axe, buzz saw or airplane's exposed propeller. *Id.*; 6a (quoting *Stovall & Company v. Tate, supra*). The court never discussed any evidence suggesting that the Supreme Court of Alabama would find the almost twenty-year-old dicta of an

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[21] The Eleventh Circuit did purport to rely on Supreme Court of Alabama cases in determining the relevant legal standard for analyzing this question, but the cases it cited in support of an "open and dangerous" defense are not on point and may not be applicable in the context of this case. See 903 F.2d at 1507; 5a. *Entrekin v. Atlantic Richfield Co., supra*, was a failure-to-warn case, and one of the alleged defects in *Hawkins v. Montgomery Indus. Int'l, Inc., supra*, was also a failure to provide adequate warnings. The courts held, simply, that "there is no duty to warn where the danger is obvious." *Hawkins*, 536 So.2d at 927 (Steagal, J., on application for rehearing). *Accord Entrekin*, 519 So.2d at 450 ("A warning is to inform the user of a danger of which he is not aware.") This is not a failure-to-warn case; the alleged defect is one of design. The manufacturer could not be expected to have warned Elliott of the dangerousness of the unguarded propeller since she did not use the product.

This highlights the major difference between the cases cited by the Eleventh Circuit and this case: the plaintiff in both *Entrekin* and *Hawkins* was the *ultimate consumer* of the allegedly defective product. In both cases, the courts found, *on the specific facts of the case*, that the product's dangerousness was contemplated by the consumer when he purchased (or used) the product, and therefore *he* could not recover for injuries caused when the product was used. This is a kind of assumption of risk or contributory negligence. *See, e.g., Rowden v. Tomlinson*, 538 So.2d 15 (Ala. 1988) (contributory negligence); *Wallace v. Doege*, 484 So.2d 404, 406 (Ala. 1986) (same); *Rivers v. Stihl, Inc.*, 434 So.2d 766, 773 (Ala. 1983) (assumption of risk). Elliott, on the other hand, cannot fit into this mold; she was not the intended user of the product; she was not a "consumer" at all. She was an innocent bystander when the product was used. Although Elliott was a foreseeable victim (from the manufacturer's perspective), she cannot be charged with responsibility for foreseeing that she might be run over by a motor boat that has exposed steel propellers that are exceedingly dangerous.

intermediate appellate level court of another State persuasive.[22]

With regard to the second ground for its decision—the availability of a safer alternative design—the Eleventh Circuit relied on no Alabama cases whatsoever. Instead, the court adopted legal standards articulated by a *federal* court applying *Mississippi* law [23] and the Supreme Court of Oregon applying *Oregon* law,[24] without ever suggesting any basis for believing that these isolated decisions—both of which are over ten years old—would have persuasive effect in the Supreme Court of Alabama or that Alabama takes the same doctrinal approach as those other States. In short, contrary to this Court's instruction in *Klaxon, supra*, instead of attempting to ascertain what Alabama law "is," the Eleventh Circuit apparently sought only to determine "what it ought to be."

The Supreme Court of Alabama is unlikely to agree with the Eleventh Circuit's view of Alabama law.[25] The Supreme Court of Alabama is likely to answer the third certified question by holding that, as a matter of Alabama law, a pleasure boat's unguarded propeller is dangerous beyond the expectation of an ordinary consumer

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[22] As an earlier panel of the Eleventh Circuit acknowledged, "Georgia's product liability law . . . is significantly different from Alabama's product liability law." *Nettles v. Electrolux Motor AB*, 784 F.2d 1574, 1578 (11th Cir. 1986).

[23] *See* 903 F.2d at 1509; 10a (citing *Fincher v. Ford Motor Co.*, 399 F. Supp. 106, 114 (S.D. Miss. 1975), *aff'd*, 535 F.2d 657 (5th Cir. 1976).

[24] *See* 903 F.2d at 1510; 10a-11a (citing *Wilson v. Piper Aircraft Corp.*, 282 Or. 61, 577 P.2d 1322 (1978)).

[25] As then-Justice Rehnquist has explained, "the certification procedure is more likely to produce the correct determination of state law" than the federal court's endeavor to ascertain it. *Lehman Bros. v. Schein*, 416 U.S. at 395 (concurring opinion).

(or at least that the issue should go to the jury).[26] This result is likely because the Supreme Court of Alabama has rejected an "open and obvious danger" complete defense, *Beliot Corp. v. Harrell*, 339 So.2d 992, 997 (Ala. 1976), and has held that questions of the obviousness of the defect are for the jury in AEMLD cases, *Caterpillar Tractor Co. v. Ford*, 406 So.2d 854, 856-857 (Ala. 1981) (failure to equip tractor with roll bar). Indeed, another panel of the Eleventh Circuit has cited *Caterpillar* and other Supreme Court of Alabama cases and expressly held that "[u]nder the AEMLD, . . . a product may be found defective even if the danger is open and obvious." *Nettles v. Electrolux Motor AB*, 784 F.2d 1574, 1579 (11th Cir. 1986).[27]

Moreover, in *General Motors Corp. v. Edwards*, *supra* —the Alabama case most analogous to this case—the Supreme Court defined "reasonable expectations of an ordinary consumer" in a crashworthiness case in terms of a comparison between the allegedly defective product and "a safer, practical, alternative design [that] was available to the manufacturer at the time it manufactured the [product]." 482 So.2d at 1191. And in *Casrell v. Altec Industries, Inc.*, 335 So.2d at 131, the Supreme Court quoted the following language from *Balido v. Improved Machinery Inc.*, 29 Cal. App. 3d 633 (1973):

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[26] Under Alabama law, "the jury must be allowed to pass on the evidence if any, no matter how slight, is offered, which, if believed, would support a verdict in favor of the party against whom a directed verdict is sought." *Entrekin v. Atlantic Richfield Co.*, 519 So.2d at 450 (internal quotes omitted).

[27] No Alabama court has ever suggested that this pronouncement of Alabama law is erroneous. *Compare, e.g., United States v. Buras*, 475 F.2d at 1373-1374 n.5 (Brown, C.J., dissenting from denial of petition for rehearing en banc) (enumerating state court decisions explicitly rejecting federal court readings of pertinent state law).

The panel decision, in this case does not distinguish, or even mention, *Nettles*.

> "A manufacturer's failure to achieve its full potential in design and thereby forestall unreasonable danger forms the basis for its strict liability in tort. It is a liability whose essence parallels the lack of due care that is the essence of its liability for negligence. It may be seen, therefore, that in cases involving deficient design, foreseeability is merely scienter under another name."

In sum, based on Supreme Court of Alabama precedents, it appears that, under Alabama law, the fact that an ordinary consumer may understand that a revolving propeller involves danger does not preclude a finding that a marine engine product is defective where it can be shown that a safer, practical, alternative design was available to the manufacturer at the time it manufactured the product in question. This is particularly true in cases such as this, where the plaintiff is not the "consumer" of the allegedly defective product, and therefore cannot be charged with "contemplation" of its dangerousness in the same sense as the intended user.

The second ground for the Eleventh Circuit's reversal is subsumed in Certified Questions 1, 2 and 4. The Supreme Court of Alabama is likely to answer these questions by holding, in effect, that "practical, alternative design" does not mean only a design that is already being marketed, or is immediately capable of being marketed, by manufacturers. Rather, *prima facie* showing of a practical, alternative design, sufficient to support a claim of defect under the AEMLD or negligence, is established where the plaintiff submits some proof that the alternative design was technologically and economically feasible within the guidelines established by the Supreme Court of Alabama in *General Motors Corp. v. Edwards*, *supra*. In *Casrell v. Altec Indus., Inc.*, for example, the Supreme Court explained that defectiveness " 'must be determined by the *potential* available to the designer at the time of design.' " 335 So.2d at 131 (quoting *Balido v. Improved Machinery, Inc.*, *supra*) (emphasis added).

Later, in *Dunn v. Wixom Bros.*, 493 So.2d 1356, 1359 (Ala. 1986), the Supreme Court of Alabama adopted the holding of *The T.J. Hooper*, 60 F.2d 737 (2d Cir.), *cert. denied*, 287 U.S. 662 (1932), where Judge Learned Hand stated:

> "A whole calling may have unduly lagged in the adoption of new and available devices. It never may set its own test, however persuasive be its usages. Courts must in the end say what is required; there are precautions so imperative that even their universal disregard will not excuse their omission."

60 F.2d at 740. Thus, the Alabama court has registered its opinion that the absence of a safer product on the market would not, *per se*, preclude a finding of liability under Alabama law.[28] Once the plaintiff presents some evidence that it was technologically and economically possible for the manufacturer to use a safer design, even if that design has some problems, it is the jury's task to decide whether the design was "feasible" and whether the manufacturer unreasonably chose not to utilize it. *Cf. General Motors Corp. v. Edwards*, 482 So.2d at 1198 ("[J]uries . . . are charged with the awesome responsibility of deciding, on a case by case basis, the reasonableness of an automobile's design.").

Under principles of fundamental fairness, comity and cooperative federalism, this Court should ensure that Elliott not be unnecessarily penalized for the Eleventh Circuit's incorrect pronouncement on Alabama law, if, as expected, the Supreme Court of Alabama decides these dispositive state law questions as petitioner has urged.

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[28] This reasoning is particularly appropriate in this case, where the evidence at trial showed that respondent and OMC, the defendant in *Beech*, controls 85% of the market and therefore could ensure that a guarded propeller was never generally available. *See also Caterpillar Tractor Co. v. Ford*, 406 So.2d at 858 (absence of a federal standard does not excuse defendant's failure to guard where product was otherwise unreasonably dangerous).

Absent this Court's action, petitioner may be denied a jury verdict to which she is rightfully entitled under state law, even though petitioner at every stage did everything possible to argue the state law issues, including requesting that the court below certify the unsettled state law issues to the Supreme Court of Alabama. The Court need do little to avoid this wrong: the Eleventh Circuit can itself correct its decision once it is provided the necessary guidance by the Supreme Court of Alabama.[29]

CONCLUSION

For the foregoing reasons, the Court should grant the petition for certiorari, vacate the Eleventh Circuit's decision below and direct the court to reconsider its decision once the Supreme Court of Alabama has answered the state law questions certified in *Beech v. Outboard Marine Corp.*, No. 89-1815. Alternatively, the Court should defer consideration of the petition for certiorari pending the Supreme Court of Alabama's decision in *Beech*, and, if the Supreme Court of Alabama rules differently than the Eleventh Circuit, thereafter grant the petition, vacate the Eleventh Circuit's decision, and remand for reconsideration.

Respectfully submitted,

BRUCE J. ENNIS, JR.*
ANN M. KAPPLER
JENNER & BLOCK
21 Dupont Circle, N.W.
Washington, D.C. 20036
(202) 223-4400

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[29] This procedure should not inconvenience the court. If the Supreme Court of Alabama agrees with the Eleventh Circuit's view of Alabama law, the federal court can simply reinstate its judgment. Respondent is not prejudiced because there is no outstanding verdict against it; Mercury is not required to do anything.

R. BEN HOGAN, III
HOGAN, SMITH, ALSPAUGH, SAMPLES
& PRATT, P.C.
2323 Second Avenue North
Birmingham, Alabama 35203
(205) 324-5635
Counsel for
Petitioner Ashley Elliott
* Counsel of Record

November 21, 1990

APPENDICES

APPENDICES

APPENDIX A

UNITED STATES COURT OF APPEALS
ELEVENTH CIRCUIT

No. 89-7190

ASHLEY ELLIOTT,
Plaintiff-Appellee,

v.

BRUNSWICK CORPORATION,
Defendant.

APPEAL OF MERCURY MARINE, A DIVISION OF BRUNSWICK CORPORATION,
Defendant-Appellant.

Appeal from the United States District Court
for the Northern District of Alabama

June 25, 1990

Before COX, Circuit Judge, and HILL*, Senior Circuit Judge, and SMITH**, Senior Circuit Judge.

HILL, Senior Circuit Judge:

The appellant, a manufacturer of motors for boats, appeals an unfavorable judgment of $4,375,000.00 in this lawsuit based on diversity jurisdiction. At trial, the appellee contended that the appellant should have constructed guards on the propellers that it manufactures, and asserted three theories of recovery: (1) compensa-

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* *See* Rule 34-2(b), Rules of the U.S. Court of Appeals for the Eleventh Circuit.

** Honorable Edward S. Smith, Senior U.S. Circuit Judge for the Federal Circuit sitting by designation.

tory damages based on alleged negligence, (2) compensatory damages based on alleged product liability under the Alabama Extended Manufacturer's Liability Doctrine, and (3) punitive damages based on alleged wantonness. The jury returned a verdict in favor of the appellee against Mercury in the amount of $1,500,000.00 compensatory damages, and $3,000,000.00 punitive damages. The district court entered a judgment against Mercury in the amount of $4,375,000.00, a sum which reflected a setoff for the amount the appellee received in settlement from other defendants. We reverse.

FACTS

In July, 1982, the appellee, Ashley Elliott, then fourteen years old, jumped from a pier at night into the water next to a boat; the rotating propeller on the boat's motor, and perhaps the boat's cavitation plate, struck and injured her. Elliott suffered grievous injuries requiring extensive surgery. The appellant, Mercury Marine, designed and manufactured the motor at issue, including the drive mechanism which required a propeller. Consumers generally use boats such as the one involved here, (of the sort often referred to as "planing" pleasure crafts [1]), for skiing, fishing and other recreational activities. At trial, the evidence showed that the boat operator had been drinking, but his conduct is not at issue in this appeal.

TRIAL PROCEEDINGS

In July, 1983, Elliott filed suit in the Circuit Court of Jefferson County, Alabama against Mercury and several other defendants; most defendants settled with Elliott prior to trial. Elliott contended that Mercury should have constructed a guard around the boat's propeller to protect her from injury. In July, 1988, Mercury and a

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[1] "Planing" means that as these boats increase in speed (up to 20 m.ph.), they lift themselves from the water and "plane" on the surface.

co-defendant removed this diversity case to the United States District Court for the Northern District of Alabama. The parties tried the case in August, 1988, but after two days of deliberation, the jury failed to reach a verdict as to Mercury, and the court declared a mistrial.

In January, 1989, the parties retried the case, and the court instructed the jury on three theories of recovery: (1) compensatory damages based on alleged negligence, (2) compensatory damages based on alleged product liability under the Alabama Extended Manufacturer's Liability Doctrine ("AEMLD"), and (3) punitive damages based on alleged wantonness. The jury returned a verdict, and the court entered a judgment for the amount we have already discussed.

Mercury filed a Motion for Judgment Notwithstanding the Verdict or in the Alternative for Remittitur or in the Alternative for a New Trial, which the court denied. This appeal followed.

DISCUSSION

Mercury now asserts that the district court erred in denying Mercury's motion for both a directed verdict and a judgment notwithstanding the verdict as to the issue of Mercury's liability; Mercury also asserts that the district court erred in denying this same motion on the issue of the punitive damages assessed against Mercury. Mercury also challenges the district court's admission into evidence of a videotape deposition of one of Mercury's attorneys who repeatedly invoked the attorney-client privilege and refused to answer. Likewise, Mercury contends that the district court erred by denying its motion for a new trial, and by allowing the admission of evidence concerning Mercury's wealth. Finally, Mercury asks in the alternative that we enter a remittitur as to the amount of punitive damages that the district court assessed.

MERCURY'S LIABILITY

The trial court charged the jury in this case on two liability theories, product liability under the Alabama Extended Manufacturer's Liability Doctrine ("AEMLD"), and negligence. Case law, found in *Casrell v. Altec Industries, Inc.*, 335 So.2d 128 (Ala. 1976), and *Atkins v. American Motors Corp.*, 335 So.2d 134 (Ala.1976), created Alabama's AEMLD. Virtually the same principles apply under either theory.

In *Casrell* and *Atkins*, Alabama, like many states, partially adopted Section 402A of the American Law Institute's Second Restatement of Torts. That Section banished the traditional obstacles of both privity and contractual defenses to product liability claims by changing the nature of the cause of action from contract to tort. Plaintiffs, moreover, no longer needed to prove the seller's lack of due care, since the new action, although based in tort, removed the requirement that the product's defect result from the seller's negligence. Advocates and scholars have divided the new tort into many subparts, but the instant case clearly involves, not an alleged manufacturing flaw, but a manufacturer's alleged conscious decision to design an inherently dangerous product.

With this qualification in mind, we now examine the pertinent Alabama case law. Elliott contends that Mercury's design for its propeller was defective, since it did not provide for a guard to encircle it. In *Casrell*, the Supreme Court of Alabama interpreted "defective" to mean ". . . that the product does not meet the reasonable expectations of an ordinary consumer as to its safety." 335 So.2d at 133. In *General Motors Corp. v. Edwards*, 482 So.2d 1176, 1191 (Ala.1985), that same court held that if a plaintiff wishes to show that an allegedly dangerous product is defective, he must also prove that a ". . . safer, practical, alternative design was available to the manufacturer at the time it manufactured the [prod-

uct]." Mercury contends that Elliott failed to establish either element of her cause of action. We agree.

1. *Consumer Expectations Test*

As adopted by the Alabama Supreme Court in *Atkins v. American Motor Corp.*, 335 So.2d 134, 147 (Ala.1976), the Second Restatement states that a defective product is one ". . . dangerous beyond that which would be contemplated by the ordinary consumer who purchases it, with the ordinary knowledge common to the community as to its characteristics." Restatement (Second) of Torts, § 402A comment i. Our task today is to determine whether a pleasure boat's unguarded propellers are dangerous beyond the expectations of the ordinary consumer. We conclude that they are not.

Although, under Alabama law, a jury ordinarily evaluates a plaintiff's claims that a product is defective, our review of the pertinent case law convinces us that certain products whose inherent danger is patent and obvious, do not, as a matter of law, involve defects of a sort that a jury should resolve.

In our view, the ordinary consumer clearly understands that a revolving propeller involves danger. "The use of certain products," as the Alabama Supreme Court has noted, has always been ". . . firmly grounded in common sense." *Entrekin v. Atlantic Richfield Co.*, 519 So.2d 447, 450 (Ala. 1988). In *Hawkins v. Montgomery Industries Int'l, Inc.*, 536 So.2d 922, 926 (Ala.1988), moreover, that same court held that although a jury must normally assess a plaintiff's allegations that a product is defective, an "exception[]" exists when the involved parties "contemplated" the nature of the defect at the time of the accident.

Some products, by their nature, (or, in modern parlance, by their conscious design), place both users and bystanders in some measure of danger. A knife or an axe may cut persons, as well as their intended targets. Fish

hooks can wound; saws can maim, and revolving propellers can cause fearful damage. Yet as the Georgia Court of Appeals noted in *Stovall & Co. v. Tate*, 124 Ga. App. 605, 184 S.E.2d 834, 838 (1971), we do not hold manufacturers liable simply because the use of their products involves some risk:

> To illustrate, the manufacturer who makes, properly and free of defects, an axe or a buzz saw or an airplane with an exposed propeller, is not to be held liable if one using the axe or the buzz saw is cut by it, or if someone working around the airplane comes in contact with the propeller.

We hold that the dangers inherent in Mercury's product should have been apparent to, or within the contemplation of, Elliott. Thus, Mercury has not manufactured a defective product within the meaning of the Restatement (Second) of Torts.

2. *Available Alternative Design*

Elliott vigorously contends that Mercury had access to a safe, practical design for propeller guards "which it could have manufactured and marketed many years in advance of the manufacture of the engine involved in this lawsuit." Mercury just as vigorously contends that Elliott is unfairly attempting to penalize the company by creating an imaginary duty "to invent" an acceptable propeller guard.

We agree with Mercury that courts cannot burden companies with an immediate duty to revolutionize their industry. Elliott has demonstrated to our satisfaction than an experimental propeller guard, useful for some purposes, existed at the time of her accident. Elliott also argues, however, that we should hold Mercury for its failure to adapt and refine that design into one feasible for use on planing propeller craft. With this we do not agree.

As Mercury has stated, and as Elliott concedes, at this stage neither industry custom, nor the pertinent regula-

tions, dictate the use of propeller guards. Witnesses for both parties indicated that no boat manufacturer, boat motor manufacturer, or boating accessory manufacturer currently offers a propeller guard for planing pleasure boats for the purpose of protecting persons from propeller contact.[2] Moreover, the Federal Boat Safety Act of 1971, 46 U.S.C.A. § 4301, *et seq.*, gives the Coast Guard the exclusive responsibility for establishing safety regulations. The Coast Guard, in its turn, has promulgated a substantial body of boat safety regulations, none of which require or recommend propeller guards.[3]

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[2] Certain rescue units in parts of California, as well as in New Zealand and Australia, apparently use propeller guards for life rescue operations conducted in high surf; at one time certain United States Marine Corps landing craft also used them there. Both life rescue boats and military landing craft, will, of course, probably be either stationary or slow-moving, since they generally operate in situations where floundering persons may be in the water, near the revolving propeller blades.

In addition, slow-moving passenger boats in amusement parks also use propeller guards. Finally, one propeller manufacturer uses guards to protect the propellers on low-horsepower motors on non-planing fishing boats, since users often take these boats into shallow water containing underwater hazards such as rocks and stumps.

[3] We also note that the *Report of the Propeller Guard Committee*, prepared by the National Boating Safety Advisory Committee, and presented on November 7, 1989, recommends that the "U.S. Coast Guard . . . take *no* regulatory action to require propeller guards" (emphasis supplied). The Report reflects the concerns of several of the experts at trial by noting that these "guards present underwater profiles of significantly larger frontal area," thereby increasing the risk of accidental contact with persons in the water. The Report also warns that ring-type guards may catch an arm, leg or other appendage and hold it against the blades of the rotating propeller.

Although the Coast Guard has considered the matter, it has not adopted regulations requiring guards.

We suggest, although we in no way hold, that when the federal government has explicitly declared that its rules and regulations supplant those of a state, a party may at least contend that these regulations supplant pronouncements not only from state

Eliott argues, however, and we agree, that a manufacturer's proof of compliance with either industry-wide practices, or even federal regulations, fails to eliminate conclusively its liability for its design of allegedly defective, products. *See e.g., Dunn v. Wixom Bros.*, 493 So.2d 1356 (Ala.1986); *General Motors Corp. v. Edwards*, 482 So.2d 1176, 1198 (Ala.1985). We do not, naturally, dismiss a manufacturer's compliance with industry standards, but we must also remember that those standards may sometimes merely reflect an industry's laxness, inefficiency, or inattention to innovation. As Judge Learned Hand stated in *The T.J. Hooper*, 60 F.2d 737, 740 (2d Cir.1932):

> A whole calling may have unduly lagged in the adoption of new and available devices. It never may set its own test, however persuasive be its usages. Courts must in the end say what is required; there are precautions so imperative that even their universal disregard will not excuse their omission.

In our view, it is difficult to articulate a rule that categorizes, in consistent fashion, those occasions when a court should defer to a manufacturer's compliance with industry standards, and those occasions when a court should fashion new guidelines as to what those standards should be. In *this* case, however, we have the opinion of experts to guide us.

At trial, the plaintiff showed the jury a videotape of the boat actually involved in Elliott's accident, with a ring guard affixed to its propeller, and demonstrating a loss in speed of only five miles per hour. At first blush, this demonstration, the highwater mark of the plaintiff's case, was most impressive. On reflection, however, we note that the plaintiff demonstrated only what both parties

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legislatures, but from state juries as well. We caution, however, that this suggestion in no way determines our holding today.

already had conceded; both parties agreed that it was possible to equip these boats with guards.[4]

At trial, moreover, the experts called by *both* parties agreed that no feasible guard existed that could be adapted readily to existing motors. For example, one of plaintiff's witnesses, Dr. Arthur Reed, a naval architect, estimated that Mercury might develop an appropriate guard after a total of ten or eleven years of effort by biomechanical engineers, hydrodynamic engineers, structural engineers, and materials engineers, followed by an additional four years of prototype testing. Dr. Reed frankly conceded, in short, that, in his view, "all of these guards need technical development before they are ready to really be marketed."

Both parties' witnesses, moreover, testified regarding potential difficulties that these devices might engender. Both groups of experts, for example, testified that the use of these guards can result in a boat's substantial loss of power and speed, due to their added drag. Both parties' experts also testified that ring guards would create handling and steering problems; they stated that these guards, due to their circular shape, add new rudder areas in entirely new planes, thus inducing dangerous handling characteristics. Mercury's experts, moreover, testified that guards could create safety hazards. They stated that some consumers would be likely to remove the guard to gain power and promote fuel economy; a guard's removal would cause the boat to exceed its power rating, and thus would create handling difficulties.

Both parties' experts also explained that guards themselves can become a danger as they move through the water. Experts from both sides agreed that guards can

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[4] In fact, had the jurors been able to join the operator *inside* the boat, instead of merely witnessing a videotaped demonstration of his ride, they might have gained greater insight into some of the difficulties generated by the application of these guards.

entrap human limbs, increasing the risks of mutilation, amputation and drowning. One of Elliott's experts acknowledged that if a boat were moving in the 30-35 mph range, a blow to the head by one of its guards would be fatal; he also conceded that serious injuries would occur even at lesser speeds.

In short, although Elliott's experts promoted the use of propeller guards, they agreed that companies could not yet market them for general use. Both sets of experts, moreover, discussed the problems that these devices engender. Elliott's nearest approach to evidence on their utility was her videotape of the boat that struck her equipped with such a guard; Elliott's own experts, however, agreed that a satisfactory guard of this type was not available. Elliott, therefore, failed to produce evidence that Mercury had access to a safe, practical design for propeller guards at the time of her accident.

We do not mean to suggest, by our holding today, that the propeller industry may never design a feasible propeller guard that satisfies the concern mentioned by the experts at trial. Our review of the evidence and testimony, however, convinces us that both current industry standards, and the federal regulations, simply reflect the consensus of experts that the industry's adaption of propeller guards at this point would not only be infeasible, but unwise, unsafe and unfortunate. As a general rule, courts endeavor not to scapegoat manufacturers where challenged designs are "in a state of flux" at the time of manufacture. *Fincer v. Ford Motor Co.*, 399 F.Supp. 106, 114 (S.D.Miss.1975), *aff'd*, 535 F.2d 657 (5th Cir.1976). In this case, moreover, the challenged designs are not even in a state of transition; at trial, even experts who promoted these guards agreed that their application was not yet possible. As one court reasoned in *Wilson v. Piper Aircraft Corp.*, 282 Or. 61, 577 P.2d 1322, 1326-27 (1978):

> If liability for the alleged design defect is to "stop somewhere short of the freakish and the fantastic," plaintiff's *prima facie* case of a defect must show more than technical feasibility of a safe design.
>
> * * * *
>
> It is not proper to submit such allegations to the jury unless the court is satisfied that there is evidence from which the jury could find the suggested alternatives are not only technically feasible but also practicable in terms of costs and the over-all design and operation of the project.

Experts have studied this issue, and have stated that no company has as yet developed a feasible guard; they have also expressed serious concerns about its safety. We hold, therefore, that when Elliott failed to demonstrate the existence of a safer, practical propeller guard for use on planing pleasure boats, as required by the Alabama Supreme Court in *Ewards*, she failed to establish a claim under Alabama's Extended Manufacturer's Liability Doctrine. We also hold, for the same reason, that Elliott failed to state a tort claim based on negligence.

CONCLUSION

Because of our holding on the subject of Mercury's liability, we need not reach the other issues raised in its appeal.

We hold that the appellee failed to show that the appellant manufactured a product defective in the sense contemplated by the Restatement (Second) of Torts, § 402A, and as interpreted by the Alabama Supreme Court.

We therefore REVERSE the judgment of the district court.

APPENDIX B

THE UNITED STATES COURT OF APPEALS FOR THE ELEVENTH CIRCUIT

No. 89-7190

ASHLEY ELLIOTT,
Plaintiff-Appellee,
versus
BRUNSWICK CORPORATION,
Defendant,
MERCURY MARINE, a Division of
Brunswick Corporation,
Defendant-Appellant

On Appeal from the United States District Court
for the District of Northern Alabama

ON PETITION FOR REHEARING AND SUGGESTION OF REHEARING EN BANC

Opinion June 25, 1990

Before: COX, Circuit Judge, HILL*, Senior Circuit Judge, and SMITH**, Senior Circuit Judge

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* See Rule 34-2(b), Rules of the U.S. Court of Appeals for the 11th Cir.

** Honorable Edward S. Smith, Senior U.S. Circuit Judge for the Federal Circuit, sitting by designation.

PER CURIAM:

The Petition for Rehearing is DENIED and no member of this panel nor other Judge in regular active service on the Court having requested that the Court be polled on rehearing en banc (Rule 35, Federal Rules of Appellate Procedure; Eleventh Circuit Rule 35-5), the Suggestion of Rehearing En Banc is DENIED.

ENTERED FOR THE COURT:

/s/ Emmett Ripley Cox
United States Circuit Judge

APPENDIX C

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ALABAMA
SOUTHERN DIVISION

Civil Action No. 88-AR-1104-S

ASHLEY ELLIOTT,
Plaintiff

vs.

BRUNSWICK CORPORATION,
Defendant

ORDER

Pursuant to the jury verdict of this date, plaintiff, Ashley Elliott, shall have and recover of defendant, Brunswick Corporation, the sum of $4,375,000.00 representing the verdict in the amount of $4,500,000.00 minus the $125,000.00 previously received by *pro tanto* settlement. Judgment in said amount is hereby ENTERED.

Court costs are taxed against defendant.

DONE this 17th day of January, 1989.

/s/ William M. Acker, Jr.
WILLIAM M. ACKER, JR.
United States District Judge

APPENDIX D

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ALABAMA
MIDDLE DIVISION

Civil Action No. 89-AR-0789-M

MATTHEW BEECH, ETC.,
Plaintiff

VS.

OUTBOARD MARINE CORPORATION,
Defendant

MEMORANDUM OPINION

[Filed Sep. 19, 1990]

The court has for consideration the motion for summary judgment pursuant to Rule 56, F.R.Civ.P., filed by defendant, Outboard Marine Corporation (OMC), in the above-entitled cause. The plaintiff is Matthew Beech, an eight-year old minor who sues through his next friend and father, Thomas L. Beech. The action is based on allegations that plaintiff was run over and injured while swimming with his father near a boat powered by an 88 horsepower Johnson outboard motor manufactured by OMC.

In its brief in support of its Rule 56 motion, OMC alleges, correctly:

> Plaintiff's entire case is based upon his claim that the OMC engine was defective in one respect: it did not have a propeller guard. That is the only allegation of defect against OMC.

OMC argues that the issues of Alabama law are indistinguishable from the issues presented in *Elliott v. Brunswick Corporation*, 903 F.2d 1505 (11th Cir. 1990). Both parties agree that the Alabama case which comes closest to the point is *General Motors Corp. v. Edwards*, 482 So. 2d 1176 (Ala. 1985), which was relied upon by the Eleventh Circuit in *Elliott*. However, it appears to this court pursuant to Rule 18, Alabama Rules of Appellate Procedure, that there exist questions or propositions of law which are determinative of this cause and that there are no clear controlling procedents of the Supreme Court of Alabama on the said questions or propositions.

Elliott was a diversity action in which the question of liability was governed by the Alabama substantive law of (1) Alabama Extended Manufacturers Liability Doctrine; (2) negligence; and (3) wantonness. In *Elliott*, the Eleventh Circuit reversed the judgment entered by the district court on a jury verdict in favor of a swimmer injured by an unguarded propeller manufactured, designed and marketed by the defendant in that case. The Eleventh Circuit gave two basic reasons for its finding or interpretation of the applicable Alabama law: (1) that the plaintiff had not proven that a safer, practical alternative design was available to the manufacturer-defendant; and (2) that a pleasure boat's unguarded propeller is not dangerous beyond the expectation of an ordinary consumer. West Publishing Company's key numbered propositions of law preceding its publication of *Elliott*, both under the heading "Products Liability," are:

> Pleasure boat's unguarded propellers are not "dangerous beyond expectations of ordinary consumer" so as to render propeller defective within meaning of Alabama products liability law.
>
> * * * *

> Failure of pleasure boat motor manufacturer to design safe, practical propeller guard for pleasure boat motors did not render propeller unreasonably dangerous under Alabama products liability law, where neither industry custom, nor pertinent regulations, dictated use of propeller guards.

The Eleventh Circuit stated these propositions of Alabama law which led to its conclusion that defendant's motion for a directed verdict should have been granted. The *Elliott* case was submitted to a jury which, in theory if not in fact, evaluated the considerable expert testimony offered by plaintiff, all to the general effect that a propeller guard could have been adapted and made feasible for use on a pleasure craft such as the one which injured plaintiff while she was swimming. Plaintiff's theory was not that a feasible propeller guard presently existed but that a feasible guard could have been developed and been available by a reasonable use of the manufacturer's resources. Theoretically at least, the jury believed the plaintiff's experts. The central question on appeal to the Eleventh Circuit was "Could plaintiff's experts be believed?" The Eleventh Circuit concluded that "the consensus of the experts [is] that the industry's adoption of propeller guards at this point would not only be infeasible, but unwise, unsafe and unfortunate." This was not only the Eleventh Circuit's interpretation of the opinions of the experts in that case but was an expression by the Eleventh Circuit of the law of Alabama on this rather narrow subject.

Is is so highly unusual as to amount to a miracle that this court is now confronted with the identical issues of Alabama law recently presented to it in *Elliott*. The easier course would be to grant OMC's motion for summary judgment on the precedent of *Elliott*. But plaintiff in the instant case, while unsuccessfully attempting to distinguish this case from *Elliott*, has also asked this court to certify to the Supreme Court of Alabama certain

pertinent questions pursuant to Rule 18, Alabama Rules of Appellate Procedure. Because this court can see no legitimate, factual or legal distinction between *Elliott* and this case, questions, as composed by this court and not by plaintiff's counsel, will be certified. In particular, the expert witnesses in this case and in *Elliott* will either be identical, or will be making the same technical and bio-mechanical arguments. Under the circumstances, this court deems it appropriate that the highest appellate court in the State of Alabama, the state whose substantive laws are necessarily to be applied, be given an opportunity to express itself before this court expresses itself. Therefore, by separate order, this court will certify certain questions to the Supreme Court of Alabama.

This court will keep OMC's motion for summary judgment under advisement until the Supreme Court of Alabama either answers the certified questions or declines to accept the certification.

DONE this 19th day of September, 1990.

/s/ William M. Acker, Jr.
WILLIAM M. ACKER, JR.
United States District Judge

APPENDIX E

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ALABAMA
MIDDLE DIVISION

Civil Action No. 89-AR-0789-M

MATTHEW BEECH, ETC.,
Plaintiff

vs.

OUTBOARD MARINE CORPORATION,
Defendant

CERTIFICATE FROM THE UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF ALABAMA TO THE SUPREME COURT OF ALABAMA PURSUANT TO RULE 18, ALABAMA RULES OF APPELLATE PROCEDURE

[Filed Sep. 19, 1990]

(1) *Style of the Case*:

The style of the case in which this certificate is made is Matthew Beech, an eight-year old minor who sues through his next friend and father, Thomas L. Beech, Plaintiff, v. Outboard Marine Corporation, a corporation, Defendant, Civil Action No. 89-AR-0789-M, United States District Court for the Northern District of Alabama, Middle Division.

(2) *Statement of Facts*:

The pertinent facts are set forth in the accompanying memorandum opinion, and are elaborated in defendant's

motion for summary judgment and in plaintiff's response, both of which will be transmitted herewith to the Supreme Court of Alabama.

(3) *Questions Certified*:

A. Assuming that several witnesses for plaintiff and several witnesses for defendant, all having the threshhold credentials and qualifications to be allowed to express opinions as experts on water safety and/or boat propeller design and/or the feasibility of designing a guard for a boat propeller, express differing opinions as to the feasibility and desirability of designing and marketing a propeller guard for pleasure craft which, while arguably creating other dangers, would, in fact, have protected a swimmer under certain circumstances against certain kinds of propeller injuries, can a swimmer injured under such circumstances by an unguarded propeller present a prima facie case under the Alabama Extended Manufacturers Liability Doctrine (AEMLD); or is the trial court precluded from submitting to the jury the question of whether or not a safer practical alternative design could have been or should have been made available to the consuming public?

B. Is it possible under AEMLD for an injured swimmer to present expert testimony which will make out a jury issue of product defect when the only alleged defect is the absence of a guard on a pleasure boat propeller on an outboard motor and when the only evidence offered by plaintiff is that a feasible propeller guard *could have been* designed by a proper use of the manufacturer's resources?

C. As a matter of Alabama law, is or is not a pleasure boat's unguarded propeller dangerous beyond the expectation of an ordinary consumer?

D. Assuming that several witnesses for plaintiff and several witnesses for defendant, all having the threshold

credentials and qualifications to be allowed to express opinions as experts on water safety and/or boat propeller design and/or the feasibility of designing a guard for a boat propeller, express differing opinions as to the feasibility and desirability of designing and marketing a propeller guard for pleasure craft which, while arguably creating other dangers, would, in fact, have protected a swimmer under certain circumstances against certain kinds of propeller injuries, can a swimmer injured under such circumstances by an unguarded propeller present a prima facie case under a negligence theory, or is the court precluded from submitting to the jury the question of whether or not the failure to provide such a propeller guard constitutes negligence?

E. Assuming that several witnesses for plaintiff and several witnesses for defendant, all having the threshhold credentials and qualifications to be allowed to express opinions as experts on water safety and/or boat propeller design and/or the feasibility of designing a guard for a boat propeller, express differing opinions as to the feasibility and desirability of designing and marketing a propeller guard for pleasure craft which, while arguably creating other dangers, would, in fact, have protected a swimmer under certain circumstances against certain kinds of propeller injuries, can a swimmer injured under such circumstances by an unguarded propeller present a prima facie case under a wantonness theory, or is the court precluded from submitting to the jury the question of whether or not the failure to provide such a propeller guard constitutes wantonness?

All of these questions presuppose that substantial evidence of proximate causation is presented by the plaintiff.

The particular phrasing used in the above certified questions is not intended in any way to restrict the Supreme Court's consideration of the issues or its analysis of the record certified in this case. This latitude, of

course, extends to the Supreme Court's restatement of the issue or issues and to the manner in which it gives its answers. *See Martinez v. Rodriquez*, 394 F.2d 156, 159, n.6 (5th Cir. 1968). If the Supreme Court requests of the Clerk of this court that the transcript of the entire record in *Elliott v. Brunswick Corporation* be made available, the Clerk shall transmit it.

The Clerk of this Court is directed to transmit this certificate, as well as a copy of the entire file in the case, including the accompanying memorandum opinion, to the Supreme Court of Alabama, all under the official seal of the Clerk, and at the same time transmit copies of this certificate and the accompanying memorandum opinion to counsel for the parties.

DONE this 19th day of September, 1990.

/s/ William M. Acker, Jr.
WILLIAM M. ACKER, JR.
United States District Judge

APPENDIX F

THE STATE OF ALABAMA
JUDICIAL DEPARTMENT
IN THE SUPREME COURT OF ALABAMA

October 11, 1990

89-1815

MATTHEW BEECH, a minor, who sues through his father and next friend, THOMAS L. BEECH

v.

OUTBOARD MARINE CORPORATION

CERTIFIED QUESTIONS FROM THE UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF ALABAMA, MIDDLE DIVISION

ORDER

This Court having consented to answer the question certified by the United States District Court for the Northern District of Alabama, Middle Division.

IT IS ORDERED that the plaintiff, Matthew Beech, a minor, who sues through his father and next friend, Thomas L. Beech, shall file with the Clerk of this Court, within twenty-eight (28) days from this date, an original and nine copies of their brief, with certificate of service on opposing counsel, on the questions hereinafter stated. The defendant, Outboard Marine Corporation, shall file with the Clerk of this Court, within twenty-one (21) days

after receipt of plaintiff's brief, an original and nine copies of its brief, with certificate of service on opposing counsel. Plaintiff may file a reply brief to defendant's brief within fourteen (14) days from receipt therof.

The questions are:

1. Assuming that several witnesses for plaintiff and several witnesses for defendant, all having the threshold credentials and qualifications to be allowed to express opinions as experts on water safety and/or boat propeller design and/or the feasibility of designing a guard for a boat propeller, express differing opinions as to the feasibility and desirability of designing and marketing a propeller guard for pleasure craft which, while arguably creating other dangers, would, in fact, have protected a swimmer under certain circumstances against certain kinds of propeller injuries, can a swimmer injured under such circumstances by an unguarded propeller present a prima facie case under the Alabama Extended Manufacturers Liability Doctrine (AEMLD); or is the trial court precluded from submitting to the jury the question of whether or not a safer practical alternative design could have been or should have been made available to the consuming public?

2. Is it possible under AEMLD for an injured swimmer to present expert testimony which will make out a jury issue of product defect when the only alleged defect is the absence of a guard on a pleasure boat propeller on an outboard motor and when the only evidence offered by plaintiff is that a feasible propeller guard *could have been* designed by a proper use of the manufacturer's resources?

3. As a matter of Alabama law, is or is not a pleasure boat's unguarded propeller dangerous beyond the expectation of an ordinary consumer?

4. Assuming that several witnesses for plaintiff and several witnesses for defendant, all having the threshold credentials and qualifications to be allowed to express opinions as experts on water safety and/or boat propeller design and/or the feasibility of designing a guard for a boat propeller, express differing opinions as to the feasibility and desirability of designing and marketing a propeller guard for pleasure craft which, while arguably creating other dangers, would, in fact, have protected a swimmer under certain circumstances against certain kinds of propeller injuries, can a swimmer injured under such circumstances by an unguarded propeller present a prima facie case under a negligence theory, or is the court precluded from submitting to the jury the question of whether or not the failure to provide such a propeller guard constitutes negligence?

5. Assuming that several witnesses for plaintiff and several witnesses for defendant, all having the threshold credentials and qualifications to be allowed to express opinions as experts on water safety and/or boat propeller design and/or the feasibility of designing a guard for a boat propeller, express differing opinions as to the feasibility and desirability of designing and marketing a propeller guard for pleasure craft which, while arguably creating other dangers, would, in fact, have protected a swimmer under certain circumstances against certain kinds of propeller injuries, can a swimmer injured under such circumstances by an unguarded propeller present a prima facie case under a wantonness theory, or is the court precluded from submitting to the jury the question of whether or not the failure to provide such a propeller guard constitutes wantonness?

Hornsby, C. J., and Maddox, Jones, Shores, Adams, Houston, and Kennedy, JJ., concur.

APPENDIX G

IN THE UNITED STATES COURT OF APPEALS
FOR THE ELEVENTH CIRCUIT

No. 90-7686

IN RE: OUTBOARD MARINE CORPORATION,
Petitioner.

On Petition for Writ of Mandamus to the
United States District Court
for the Northern District of Alabama

[Filed Oct. 29, 1990]

BEFORE: FAY, COX and BIRCH, Circuit Judges.

BY THE COURT:

The petition for writ of mandamus is DENIED.

Respondent Beech's motion to dismiss petition for writ of mandamus as moot is DENIED.

No. 90-814

In the Supreme Court of the United States

OCTOBER TERM, 1990

ASHLEY ELLIOTT, PETITIONER

v.

MERCURY MARINE, a Division of
Brunswick Corporation, RESPONDENT

On Petition for a Writ of Certiorari to the United States Court of Appeals for the Eleventh Circuit

BRIEF FOR THE RESPONDENT IN OPPOSITION

KENNETH S. GELLER *
Mayer, Brown & Platt
2000 Pennsylvania Ave., N.W.
Washington, D.C. 20006
(202) 778-0613

RONALD L. REID
R. WAYNE THORPE
Alston & Bird
One Atlantic Center
1201 West Peachtree Street
Atlanta, Georgia 30309-3424
(404) 881-7000

Counsel for Respondent

* Counsel of Record

WILSON - EPES PRINTING CO., INC. - 789-0096 - WASHINGTON, D.C. 20001

QUESTION PRESENTED

Whether the Court should hold this case on its docket for the indefinite future because the Alabama Supreme Court might issue a decision in another case that might be inconsistent with the court of appeals' rulings on issues of state law.

RULE 29.1 STATEMENT

Respondent Mercury Marine is a division of Brunswick Corporation. Brunswick has no parent corporations but has the following subsidiaries, excluding wholly-owned subsidiaries: Doellwood Financial, Inc.; Enhanced Energy Systems, Inc.; Intellitec International Inc.; Jewon, Co., Ltd.; Jiangxi Marine Company, Limited; Merc Spader, Inc.; Nippon Brunswick Kabushiki Kaisha; Nireco Corporation; Sugita Seisakusho Co., Ltd.; Texas Lounge Operations, Inc.; Texas Thousand Oaks, Inc.; Tohatsu Marine Corporation; and Wayne Recreation Center Lounge, Inc.

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OCTOBER TERM, 1990

No. 90-814

ASHLEY ELLIOTT, PETITIONER

v.

MERCURY MARINE, a Division of
Brunswick Corporation, RESPONDENT

**On Petition for a Writ of Certiorari to the
United States Court of Appeals
for the Eleventh Circuit**

BRIEF FOR THE RESPONDENT IN OPPOSITION

STATEMENT

1. Petitioner Ashley Elliott was injured when she jumped from a pier at night into the water next to a boat and was struck by the rotating propeller on the boat's motor. The motor was designed and manufactured by respondent Mercury Marine. Boats like the one involved here, typically used for skiing and other recreational activities and typically operated at speeds exceeding 20 m.p.h., are generically known as "planing" pleasure craft. "Planing" refers to the fact that, as these boats pick up speed (to

approximately 20 m.p.h.), they rise up part-way out of the water and "plane" on the surface. Pet. App. 2a.

Petitioner claimed that Mercury violated Alabama tort law by not including a so-called "propeller guard" in the motor's design. This "propeller guard" would consist of a structure that in some fashion would surround the propeller. The evidence at trial showed that, despite substantial efforts of Mercury and others over many years to design such a device, no propeller guard existing and available at the time the motor was manufactured would have been a safer, practical, alternative design for planing pleasure boats, and that proposed guards are actually unsafe for use by the boating public.

Thus, witnesses for both sides testified that *no* boat manufacturer, boat motor manufacturer, or boating accessory manufacturer has ever been able to offer a propeller guard for planing pleasure boats for the purpose of protecting human beings from propeller contact. Pet. App. 11a; R4-185; R9-858. Use of such propeller guards is virtually unheard of anywhere in the world, except in a few special applications that are wholly unlike recreational planing boats.[1] Indeed,

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[1] Propeller guards are used in some parts of California, as well as in New Zealand and Australia, for life rescue operations conducted in high surf; at one time they were also used on certain United States Marine Corps landing craft operating in high surf. It is expected that life rescue boats or military landing craft would be stationary or moving at very slow speeds, as contrasted with planing pleasure craft operated frequently at high speeds. It is also expected that, in both circumstances, floundering human beings would be in the water near the turning propeller. Propeller guards are used

Dr. Arthur Reed, one of petitioner's expert witnesses, estimated that it would take some 15 man-years of effort by biomechanical, hydrodynamic, structural and materials engineers, followed by prototype testing, to design and manufacture a safe and feasible propeller guard. R4-168-169. He also acknowledged that every propeller guard currently proposed needed further technical development before it would be ready for use. Pet. App. 9a.

Furthermore, the United States Coast Guard, which is charged with exclusive responsibility for establishment of boating safety regulations (see 46 U.S.C. §§ 4301 *et seq.*), has rejected any requirement of propeller guards after extensively studying the question. Exh. 33 (1987 report). Similarly, as petitioner's witnesses acknowledged, propeller guards are not required by any states (R4-192; R8-608-611; R9-860-863) and are not required by the safety standards promulgated by responsible and authoritative boat safety organizations such as the American Boat and Yacht Council and the Society of Automotive Engineers. R4-192; R8-608-611; R9-860-863.

Finally, both parties' experts described numerous hydrodynamic, biomechanical and other dangers presented by propeller guards. Pet. App. 9a. These included:

- Substantial loss of power and hence speed due to added drag. R4-143, 149, 157, 175; R7-

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as well on slow-moving passenger boats in amusement parks. In addition, Outboard Marine Corp., one of Mercury's competitors, has developed a propeller guard for low-horsepower motors on non-planing fishing boats, which are expected to be used in shallow water containing underwater hazards such as rocks and stumps. Pet. App. 7a n.2.

516, 524; R9-943, 986, 993; R10-1036, 1050, 1068.

- Safety hazards due to consumers' likely removal of guards to gain added power and improved fuel economy; removal of the guard would cause the boat to exceed its power rating and would create handling difficulties. R9-986; R10-1056.

- Handling and steering problems because a guard, due to its circular shape, would add new rudder area in entirely new planes; additional rudder would create additional steering torque. R4-222-223, 263, 289-290; R7-483, 504-507; R8-712, 735-737; R9-981-982, 985-986, 994-999; R10-1046-1049.

- Improper handling resulting in increased risk that the operator or a passenger might be ejected from the boat, as well as the obvious risk of simply losing control and running the boat into another boat or the shore. R7-507.

- Dangers associated with breaking the guard and thus creating an additional set of steering problems. R7-525; R8-718.

- Dangers caused by the fact that a propeller encircled by a guard creates a surface area with which to strike a person in the water that is much larger than the unguarded propeller; the combined hazard of the propeller and guard moving through the water at moderate to high speed is at least as great as that created by the propeller itself. R7-474-479; R9-953, 984-985; R10-1037-1038.

- Injuries resulting from a "guard strike," which are often more serious than a propeller strike because a "guard strike" causes a

"crushing" blow or "blunt trauma"; such injuries are more difficult to repair than lacerations caused by a propeller, because a guard would cause smashing and tearing of nerves, muscles and bones. R7-480-481.

- Possible entrapment of a human limb between the guard and propeller, resulting in mutilation, amputation or drowning; were the guard not present, the propeller might miss the person altogether or make a glancing and relatively less severe laceration. R7-485; R8-735; R9-987; R10-1039.

2. Despite the overwhelming evidence that safe propeller guards for planing pleasure craft simply did not exist when this motor was built (and do not exist today), the district court allowed the case to go to the jury, which returned a verdict for petitioner in the amount of $1.5 million in compensatory damages and $3.0 million in punitive damages. Pet. App. 14a. The court of appeals unanimously reversed. *Id.* at 1a-11a.

The Eleventh Circuit began its analysis by setting forth the elements of a defective design claim under Alabama law. First, a plaintiff must prove that a product is "defective" in that it "does not meet the reasonable expectations of an ordinary consumer as to its safety." Pet. App. 4a, citing *Casrell* v. *Altec Industries, Inc.*, 335 So.2d 128, 133 (Ala. 1976). Second, a plaintiff must prove in addition that "a safer practical, alternative design was available to the manufacturer at the time it manufactured the [product]." Pet. App. 4a-5a, citing *General Motors Corp.* v. *Edwards*, 482 So.2d 1176, 1191 (Ala. 1985).

On the "consumer expectations" issue, the Eleventh Circuit based its analysis not only on *Casrell* but also

on two recent decisions of the Supreme Court of Alabama that ruled in favor of a product manufacturer as a matter of law. *Hawkins* v. *Montgomery Industries Int'l, Inc.*, 536 So.2d 922, 926 (Ala. 1988); *Entrekin* v. *Atlantic Richfield Co.*, 519 So.2d 447, 450 (Ala. 1988). Applying the teaching of these cases, the court below concluded that "the ordinary consumer clearly understands that a revolving propeller involves danger" (Pet. App. 5a) and that "the dangers inherent in Mercury's product should have been apparent to, or within the contemplation of," petitioner. *Id.* at 6a.

Additionally, the Eleventh Circuit held that petitioner failed as a matter of law to establish the existence and availability of a safer, practical, alternative design. The court of appeals noted that "although [petitioner's] experts promoted the use of propeller guards, they agreed that companies could not yet market them for general use. Both sets of experts, moreover, discussed the problems that these devices engender." Pet. App. 10a. Applying this uncontroverted evidence to the standard announced in settled precedent, the court concluded that "when [petitioner] failed to demonstrate the existence of a safer, practical propeller guard for use on planing pleasure boats, as required by the Alabama Supreme Court in *Edwards*, she failed to establish [her] claim." *Id.* at 11a.

Following the court of appeals' decision, petitioner filed a "petition for rehearing en banc" (see *Missouri* v. *Jenkins*, 110 S.Ct. 1651, 1661 (1990)), suggesting for the first time that the Eleventh Circuit certify to the Supreme Court of Alabama "questions concerning whether the obvious danger of an unguarded pro-

peller prohibits a cause of action under Alabama law" (Petition For Rehearing En Banc at 2). The court of appeals denied the petition on August 24, 1990.

3. At the same time that this case was proceeding in the Eleventh Circuit, another product liability case involving a swimmer injured by the propeller on a pontoon boat was pending in federal district court in Alabama. *Beech* v. *Outboard Marine Corp.*, No. CV-89-AR-0789-M (N.D. Ala.). Within days after the Eleventh Circuit issued its decision in this case, the plaintiff in *Beech*, who was represented by the same counsel as petitioner, filed a motion to certify certain issues of state tort law to the Alabama Supreme Court. Judge Acker, who also was the trial judge in this case, granted the motion on September 19, 1990, and certified five detailed questions to the state court. Pet. App. 19a-22a. The Alabama Supreme Court accepted the certification on October 11, 1990 (*id.* at 23a-25a), and the case is currently in the process of being briefed.

REASONS FOR DENYING THE PETITION

The petition for certiorari in this case is in flagrant disregard of the longstanding principle that "[t]he [certiorari] jurisdiction was not conferred upon this Court merely to give the defeated party in the Circuit Court of Appeals another hearing." *Magnum Import Co.* v. *Coty*, 262 U.S. 159, 163 (1923). Petitioner does not suggest that the court of appeals committed any error of federal law, much less that its decision conflicts with the decision of any other court. See S. Ct. R. 10. As petitioner concedes (Pet. 12), this diversity case is controlled by state law. Rather, petitioner contends that the Court should simply hold this case on

its docket for the indefinite future, because the Alabama Supreme Court might issue a decision in an unrelated case that might give the Eleventh Circuit grounds to reconsider its rulings on issues of state law. Petitioner's attempt to "warehouse" this case on this Court's docket is both unprecedented and inappropriate.

I. PETITION DOES NOT CONTEND THAT THE COURT OF APPEALS COMMITTED ANY ERROR OF FEDERAL LAW

One searches in vain through the petition for certiorari for any contention that the court of appeals committed any error of federal law, reached a result in conflict with the decision of any other court, or "so far departed from the accepted and usual course of judicial proceedings * * * as to call for an exercise of this Court's power of supervision" (S. Ct. R. 10.1). Petitioner does not make any such claim.[2] Instead, she acknowledges (Pet. 12) that, under *Erie R.R.* v. *Tompkins*, 304 U.S. 64 (1938), the dispositive questions in this case are entirely ones of *state* law.

Moreover, even as to the controlling state law questions, petitioner does not seriously contend that the court of appeals failed to abide by its obligation under *Erie* to follow decisions of the Alabama courts. To

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[2] Petitioner does suggest (Pet. 14 n.17) that the Eleventh Circuit might have "certified the unresolved questions [of state law] to the Supreme Court of Alabama," but she does not argue that the court below erred in failing to do so. The decision whether to seek certification rests in the sound discretion of the federal court. See *Lehman Brothers* v. *Schein*, 416 U.S. 386, 394 (1974). It is significant that petitioner did not request certification until after she had lost in the court of appeals.

the contrary, petitioner grudgingly admits that the "Eleventh Circuit did purport to rely on Supreme Court of Alabama cases in determining the relevant legal standard" (Pet. 17 n.21). She asserts only that the issues of Alabama law were "unresolved" (Pet. 12), that the "Eleventh Circuit travelled into uncharted waters" (*ibid.*), and that the "Eleventh Circuit was wrong in reversing, on state law grounds, the jury verdict and judgment in [her] favor" (Pet. 15).

As we explain below, the court of appeals properly applied state law to the facts of this case. But whether or not the court of appeals decided this fact-bound case correctly under Alabama law, the matter does not warrant further consideration by this Court. See R. Stern, E. Gressman & S. Shapiro, *Supreme Court Practice* § 4.10 (6th ed. 1986).

II. THE COURT OF APPEALS CORRECTLY DECIDED ISSUES OF ALABAMA STATE LAW

The bulk of the certiorari petition is devoted to the assertion that the court of appeals reached an erroneous result on an unresolved issue of Alabama tort law.[3] This Court, however, does not sit to review

[3] Petitioner also suggests that the Eleventh Circuit ignored Alabama authorities and rendered its decision solely on the basis of rulings from other jurisdictions. Thus, with respect to the consumer expectations issue, petitioner contends (Pet. 16; emphasis in original) that "[i]n concluding that, under Alabama law, an unguarded boat propeller is not dangerous beyond the reasonable expectations of an ordinary consumer, the Eleventh Circuit cited *no* Alabama authority." Similarly, with respect to the available alternative design issue, petitioner contends (Pet. 6, 18; emphasis in original) that "the Eleventh Circuit relied on no Alabama cases whatsoever"

questions of state law. See, *e.g.*, *Volt Information Sciences, Inc.* v. *Board of Trustees*, 109 S.Ct. 1248, 1253 (1989); *Haring* v. *Prosise*, 462 U.S. 306, 314 n.8 (1983); *Butner* v. *United States*, 440 U.S. 48, 57-58 (1979). In any event, petitioner is plainly wrong in suggesting that the decision below represents a departure from prior Alabama law.

As the Eleventh Circuit observed (Pet. App. 4a), Alabama case law recognizes a principle of product liability known as the Alabama Extended Manufacturer's Liability Doctrine ("AEMLD"), based on *Casrell* v. *Altec Industries, Inc.*, 335 So.2d 128 (Ala. 1976), *Atkins* v. *American Motors Corp.*, 335 So.2d 134 (Ala. 1976), and Section 402A of the Second Restatement of Torts (1965). Section 402A provides in part that "[o]ne who sells any product in a defective condition unreasonably dangerous to the user or consumer or his property is subject to liability for physical harm thereby caused to the ultimate user or consumer, or to his property * * *." In *Casrell*, relying on comments g and i to Section 402A, the Supreme Court of Alabama defined "defective" to mean that "the product does not meet the reasonable expectations of an ordinary consumer as to its safety."[4] 335 So.2d at 133. Subsequently, in *Gen-*

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and that the "court cited *no* Alabama case law in support of its conclusion." As we explain in the text, these fanciful assertions are belied by the court of appeals' opinion, which cited and applied several decisions of the Alabama Supreme Court.

[4] Comment g states in part:

> [T]his Section applies only where the product is, at the time it leaves the seller's hands, in a condition not co-

eral Motors Corp. v. *Edwards*, 482 So.2d 1176, 1191 (Ala. 1985), the same court added that the plaintiff must also prove that a "safer, practical, alternative design was available to the manufacturer at the time it manufactured the [product]."

In this case, the Eleventh Circuit extensively considered this relevant Alabama authority and concluded that petitioner had failed at trial to establish both of these elements of her cause of action.[5] Petitioner may disagree with this conclusion, but that is a far cry from proving that, "instead of attempting to ascertain what Alabama law 'is,' the Eleventh Circuit apparently sought only to determine 'what it ought to be.'" Pet. 18.

A. Consumer Expectations

The court of appeals first held that petitioner failed to meet the "consumer expectations" test. In particular, the Eleventh Circuit concluded (Pet. App. 5a) that "[t]he ordinary consumer clearly understands that a revolving propeller involves danger." In support of this determination, the Eleventh Circuit relied upon Alabama law set forth in *Entrekin* v. *Atlantic Richfield Co.*, 519 So.2d 447 (Ala. 1988), and *Hawkins* v. *Montgomery Industries Int'l, Inc.*, 536 So.2d 922 (Ala. 1988).

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templated by the ultimate consumer, which will be unreasonably dangerous to him.

Comment i states in part:

> The article sold must be dangerous to an extent beyond that which would be contemplated by the ordinary consumer who purchases it, with the ordinary knowledge common to the community as to its characteristics.

[5] Of course, Mercury would have prevailed in the Eleventh Circuit if that court had ruled in its favor on *either* point.

In *Hawkins*, the plaintiff was injured in the workplace by allegedly defective industrial machinery. In analyzing whether the product was defective, the Supreme Court of Alabama quoted at length from *Casrell* and Comments g and i of Section 402A in focusing on what was "expected" and "contemplated." 536 So.2d at 926. Applying the consumer expectations test of *Casrell* and Section 402A to the evidence in *Hawkins*, the court noted at least three times that the alleged defect was "contemplated." 536 So.2d at 925, 926. The Alabama Supreme Court accordingly concluded that there was not even a "scintilla of evidence" that the product at issue was defective, and it affirmed summary judgment in favor of the defendant. Here, the Eleventh Circuit closely followed the analytical framework set forth in *Hawkins* and likewise concluded that Mercury was entitled to judgment as a matter of law because "the ordinary consumer clearly understands that a revolving propeller involves danger." Pet. App. 5a.

Petitioner's attempted distinctions of *Hawkins* and *Entrekin* make little sense. She argues first (Pet. 17 n.21) that *Hawkins* "may not be applicable in the context of this case" because it involved a failure to warn. In fact, as the Alabama Supreme Court's opinion in *Hawkins* makes clear, that case involved alleged design defects: "[Plaintiffs] sued Montgomery Industries as the designer and constructor of the suction system, alleging that the system was defectively or negligently designed or constructed." 536 So.2d at 924. Indeed, the Alabama court's ruling on rehearing, which did deal exclusively with a warning issue, plainly recognized that the court's original opinion had decided a design issue. *Id.* at 927. Of course, even if *Hawkins* were exclusively a warning

case—and it certainly was not—petitioner has offered no reason to believe that it would be any less applicable as authority in a design case.

Petitioner next seeks to distinguish both *Hawkins* and *Entrekin* on the ground that she was a mere "bystander" rather than "the *ultimate consumer* of the allegedly defective product." Pet. App. 17 n.21 (emphasis in original). This effort to avoid the force of controlling Alabama authority also must fail. To begin with, the plaintiffs in *Hawkins* and *Entrekin* were employees who were injured in the workplace by products purchased by their employer; thus, they were "bystanders" at least to the same extent as petitioner. Moreover, by now claiming that she was a mere "bystander," petitioner seeks to "have her cake and eat it too" under the AEMLD and Section 402A. Section 402A permits recovery only by "the user or consumer." See page 10, *supra*. If, as petitioner now claims, she was a "bystander" and not a "user" or "consumer," then she may not recover at all under Section 402A. If, on the other hand, petitioner qualifies as a "user" or "consumer," and is thus eligible to sue under Section 402A, then she is bound by the ordinary "expectations" and "contemplations" that Alabama law attributes to such a plaintiff. Finally, petitioner has cited no authority under Alabama law that grants preferential treatment to "bystanders" injured by defective products.

Not only did the Eleventh Circuit base its decision on solid Alabama precedent that petitioner cannot successfully avoid, but the cases relied upon by petitioner (see Pet. 17 n.21) do not in any way detract from the decision below. Those cases are distinguishable because they hold only that, on their particular

facts, a jury question was presented regarding the defenses of assumption of risk and contributory negligence. It is a fundamentally different matter to hold, as the court of appeals did here, that a product is not defective as a matter of law because the danger is within the normal "expectations" or "contemplations" of a consumer. In addition, several of the cases cited by petitioner predate the Alabama Supreme Court's decision in *Hawkins* and thus would not be controlling authority even if they were in tension with *Hawkins*.

B. Availability of Alternative Design

Just as the court of appeals adhered to sound Alabama precedent on the consumer expectations issue, it similarly applied established Alabama law on the available alternative design issue. On this point, the Eleventh Circuit followed *General Motors Corp.* v. *Edwards*, *supra*, the same case principally relied on by petitioner not only before this Court but throughout this litigation. Pet. App. 8a-11a.

Although petitioner concedes the applicability of *Edwards*, she offers a strained interpretation of that decision, arguing that "feasibility" should be equated with mere technical and economic feasibility, apparently without regard for such other important factors as the safety of a proffered alternative design. See Pet. 20. However, the Supreme Court of Alabama clearly rejected that notion in *Edwards*:

> In order to prove defectiveness, the plaintiff must prove that a safer, practical alternative design was available to the manufacturer at the time it manufactured the [product].

482 So.2d 1176, 1191.

Based upon the standard announced in *Edwards*, the Eleventh Circuit carefully examined the testimony of both sides' experts, including their description of the numerous safety hazards created by proposed propeller guards, as well as current industry standards and federal regulations. In light of the undisputed evidence, the court of appeals determined that "the industry's adaptation of propeller guards at this point would not only be infeasible, but unwise, unsafe and unfortunate." Pet. App. 10a. Indeed, "the challenged designs are not even in a state of transition; at trial, even experts who promoted these guards agreed that their application was not yet possible." *Ibid.* Accordingly, the Eleventh Circuit concluded that a satisfactory guard was not yet available and that, "as required by the Alabama Supreme Court in *Edwards*, [petitioner] failed to establish a claim under" Alabama law. *Id.* at 11a. Once again, petitioner may disagree with this conclusion, but that hardly justifies her blatant misrepresentation that "the Eleventh Circuit relied on no Alabama cases whatsoever." Pet. 18.

III. THERE IS NO REASON TO HOLD THIS CASE ON THE COURT'S DOCKET PENDING A DECISION BY THE ALABAMA SUPREME COURT IN AN UNRELATED CASE

Having failed to show that the court of appeals' decision violates either federal or state law, petitioner urges the Court simply to hold this case on its docket for an indefinite period because the Alabama Supreme Court might reach a decision in another case that might give the Eleventh Circuit grounds to reconsider some of its rulings under Alabama law. We are not aware of any precedent that would support the warehousing of wholly uncertworthy cases on this Court's

docket because they might be affected by litigation pending elsewhere in the lower courts, and petitioner has cited none.[6] Indeed, the Court routinely denies motions to hold certiorari petitions in abeyance until some other event has occurred. See, *e.g.*, *Andes* v. *Knox*, 111 S. Ct. 373 (Oct. 29, 1990); *Kramer* v. *Hammond*, 111 S. Ct. 373 (Oct. 29, 1990); *Vaccaro* v. *Jorling*, 111 S. Ct. 397 (Nov. 6, 1990); *Grossman* v. *United States*, 59 U.S.L.W. 3392 (U.S. Nov. 27, 1990). Any other rule would be wholly inconsistent with this Court's certiorari jurisdiction and would serve only to encourage litigants to clutter the Court's docket with similar requests, in an effort to prevent adverse decisions from becoming final.[7]

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[6] The one case petitioner offers, *Gondeck* v. *Pan Am. World Airways, Inc.*, 382 U.S. 25 (1962) (*per curiam*), is hardly "analogous" (Pet. 13 n.16). The Court there granted an out-of-time rehearing petition and remanded a case in light of an *intervening* decision so that two men killed in the *same* accident would be treated equally under *federal* law. Here, there is no intervening decision, the issues involve state law, and the case now pending in the Alabama Supreme Court does not involve the same accident as this case. In any event, the Court's decision in *Gondeck* was sharply criticized when issued (see 382 U.S. at 30-31 (Harlan, J., dissenting)) and has never since been cited by the Court, much less followed. See *Weed* v. *Bilbrey*, 400 U.S. 982, 984 (1970) (Douglas, J., dissenting).

[7] For example, a party seeking review of an adverse decision in one court of appeals could suggest that the Court hold his case pending the decision of the same issue in another court of appeals, in the hope that a conflict in the circuits would develop. Or a party seeking review of a state law issue in a diversity case could suggest that the Court hold his case pending the decision of the same issue by a state trial court or intermediate appellate court in another case. Thus, petitioner's "fundamental fairness" argument would presumably apply equally if the *Beech* case were pending in the lower Alabama courts.

Even if petitioner's proposal were legitimate, this would not be an appropriate case. To begin with, the delay in ultimately resolving this routine tort suit is likely to be extensive. The case that petitioner would await, *Beech* v. *Outboard Marine Corp.*, No. 89-1815 (Ala. S. Ct.), was filed in federal district court in May 1989. Not until July 3, 1990, more than a year later and approximately one week after the Eleventh Circuit ruled for Mercury in this case, did Beech's counsel (who also is petitioner's counsel) seek certification of the state tort law issues, in an obvious effort to avoid the precedential force of the Eleventh Circuit's decision. The Alabama Supreme Court did not accept the certification request until October 11, 1990. Pet. App. 23a. Because the *Beech* case has not yet been fully briefed in the Alabama Supreme Court, much less scheduled for oral argument, it will be many months and perhaps longer before the state court renders a decision. We imagine that many losing litigants would relish the opportunity to have this Court put their adverse decisions on "hold" for a year in the hope that some intervening development would warrant reconsideration of their case.

What is more, petitioner drastically overstates the likelihood that the Alabama Supreme Court's decision in *Beech* would require an affirmance of the jury verdict in her favor. First, given the persuasive Alabama authority relied on by the Eleventh Circuit, there is every reason to believe that the Alabama Supreme Court will reaffirm the constructions of state law adopted by the court below.

Second, contrary to petitioner's repeated assertions (Pet. i, 3, 8, 12) that this case is "identical" to *Beech*, the plaintiff in *Beech* has in fact insisted that there are several material differences between the two cases.

In particular, the *Beech* plaintiff has contended that the Eleventh Circuit merely decided that there was insufficient evidence on *this* record to create a jury question, and that the evidence in *Beech* is far stronger:

> The factual question of whether the evidence was sufficient in *Ashley Elliott* to justify a verdict on the issue of feasibility under *Edwards* guidelines is not determinative of *this* case. In reaching its decision evaluating the evidence on feasibility, the Eleventh Circuit was reviewing an issue of fact, sufficiency of evidence, not of law. Hence the ruling of the Eleventh Circuit in *Ashley Elliott* does not mean that in this case, sufficiency of evidence of feasibility of propeller guards cannot be shown to support a jury verdict.

Brief In Opposition To OMC's Motion For Summary Judgment And In Support Of Plaintiff's Cross Motion To Certify Questions at 2, *Beech* v. *Outboard Marine Corp.*, No. CV-89-AR-0789-M (N.D. Ala.) ("*Beech* Opp.").[8] Because it serves his current purposes, petitioner's counsel is now singing a different tune.

---

[8] The plaintiff in *Beech* emphasized the following factual differences between the two cases in opposing OMC's motion for summary judgment:

> Facts which distinguish this case from the case of *Ashley Elliott v. Mercury Marine*, relied upon in the OMC Motion for Summary Judgment, include the following:
>
> (1) Matthew Beech was eight years old at the time of this accident, whereas Ashley Elliott was fourteen years old at the time of her accident;
>
> (2) The contentions in the Matthew Beech case are that the marine engine involved in the case should have been equipped with a cage type guard. Testing and demonstrations, the subject of discovery in this case,

Third, the certified questions in *Beech*, as worded, do not in fact present the same issues decided in this case. For example, questions 1, 2, 4 and 5 all *assume* the existence of a feasible propeller guard (see Pet. App. 24a-25a), whereas the Eleventh Circuit expressly decided, based on the evidence introduced in this trial, that no such guard existed at the time this motor was manufactured. Thus, the certified questions in *Beech*, even if answered favorably to the plaintiff in that case, would not mandate a different result here.

Finally, even if the Alabama Supreme Court's decision warranted reconsideration of the Eleventh Circuit's decision, that would still not lead to upholding

---

> show that a cage guard is feasible and prevents injury. Documents obtained from OMC, which were not available to the plaintiff at the time of the Ashley Elliott trial, show that a cage type guard was actually in use in Australia in the late 1970s, and had been tested by OMC on outboard marine engines of similar horsepower to that involved in this case. None of that evidence (which is the subject of a request for admissions in this case) was available on the feasibility issue in the Ashley Elliott trial;
>
> (3) The Beech case involves a 1988 engine. There is no question that it was technologically feasible to manufacture a guard for that engine prior to the time it was marketed and sold.
>
> * * * *
>
> The [Eleventh Circuit's] language "should have been apparent to, or within the contemplation of, Elliott" distinguishes, moreover, *Elliott* from the expectations of eight year old Matthew Beech. A minor cannot, as a matter of law, be required to have adult expectations of dangers.

Beech Opp. at 1-3.

the jury verdict. The Eleventh Circuit would then be obliged to consider Mercury's other substantial claims of error, which it had no occasion to reach in the first appeal. See Pet. App. 11a.

In sum, petitioner would send this Court on a fool's errand. It would pervert the Court's proper function to place this concededly uncertworthy case in a holding pattern for the indefinite future while the parties await a state court's decision on an issue of state law in another case, particularly when it is most unlikely that the state court decision would lead to a different outcome here. As this Court has reminded litigants on many occasions, the certiorari jurisdiction is reserved for issues that are "of importance to the public" and not just the "parties." *Layne & Bowler Corp.* v. *Western Well Works, Inc.*, 261 U.S. 387, 393 (1923).

CONCLUSION

The petition for a writ of certiorari should be denied.

Respectfully submitted.

KENNETH S. GELLER *
Mayer, Brown & Platt
2000 Pennsylvania Ave., N.W.
Washington, D.C. 20006
(202) 778-0613

RONALD L. REID
R. WAYNE THORPE
Alston & Bird
One Atlantic Center
1201 West Peachtree Street
Atlanta, Georgia 30309-3424
(404) 881-7000
Counsel for Respondent

DECEMBER 1990

* Counsel of Record

(3)

No. 90-814

IN THE
Supreme Court of the United States
OCTOBER TERM, 1990

ASHLEY ELLIOTT,
Petitioner,
v.
MERCURY MARINE, a Division of Brunswick Corporation,
Respondent.

Petition for a Writ of Certiorari to the United States Court of Appeals for the Eleventh Circuit

REPLY TO BRIEF IN OPPOSITION

BRUCE J. ENNIS, JR.*
ANN M. KAPPLER
JENNER & BLOCK
21 Dupont Circle, N.W.
Washington, D.C. 20036
(202) 223-4400

R. BEN HOGAN, III
HOGAN, SMITH, ALSPAUGH, SAMPLES & PRATT, P.C.
2323 Second Avenue North
Birmingham, Alabama 35203
(205) 324-5635
Counsel for Petitioner Ashley Elliott

* Counsel of Record

WILSON - EPES PRINTING CO., INC. - 789-0096 - WASHINGTON, D.C. 20001

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REPLY TO BRIEF IN OPPOSITION

This case presents simple, yet extraordinary, circumstances. The Court of Appeals overturned a jury verdict in favor of Elliott on the basis of the court's view on unsettled issues of Alabama state law. In reaching its decision, the court accorded no deference to the District Court's ruling and did not employ the appropriate method of analysis in discerning state law. The Supreme Court of Alabama is about to resolve the identical issues of Alabama law pursuant to questions drafted and certified by the same District Court Judge who presided in this case, and the highest state court is extremely likely to disagree with the Eleventh Circuit's pronouncements.

This Court need only direct the Eleventh Circuit to reconsider this case in light of the state court's definitive statement on the outcome-determinative issues of state law, in order to vindicate well-settled concepts of fundamental fairness and the principles of comity and cooperative judicial federalism. None of respondent's arguments supports denial of certiorari.

ARGUMENT

1. Respondent's principal argument is that granting certiorari would force this Court to "hold the case on its docket for the indefinite future." Brief for the Respondent in Opposition at 8, 15, 20 (hereafter "Opp."). Apparently, respondent did not read the Petition for Certiorari. Elliott specifically requested that the Court "grant certiorari, vacate, and direct the Eleventh Circuit to reconsider its determination of [the] state law issues once the Alabama Supreme Court has ruled." Petition for a Writ of Certiorari at 3 (hereafter "Pet."). As petitioner noted, nothing more is required of this Court: "the Eleventh Circuit can itself correct its decision once it is provided the necessary guidance by the Supreme Court of Alabama." *Id.* at 22.

Even if this Court decides, alternatively, to hold the Petition for consideration after the Supreme Court of Alabama has ruled, there would be nothing remarkable about that decision. This Court routinely holds petitions for certiorari pending resolution of another case when, as here, the interests of justice counsel such action. *See* R. Stern, E. Gressman & S. Shapiro, *Supreme Court Practice* § 5.9 (6th ed. 1986) (noting that a petition for certiorari may be held, without the Court's taking any action, "until an imminent state court decision is rendered on a controlling issue of state law").

There is nothing "indefinite" about the future of the certified questions the Supreme Court of Alabama has agreed to address in *Beech v. Outboard Marine Corp.*,

No. 89-1815. The Supreme Court will be poised to answer those questions within the week.[1]

Granting certiorari would not create undesirable precedent. Respondent suggests that it would support this Court's holding the petition of a party seeking review of an adverse decision in one court of appeals pending the decision of the same issue in another court of appeals. *See* Opp. 16 n.7. But, of course, one court of appeals is not required to follow the decision of another court of appeals; consequently, there would be no justification for awaiting the later decision. This case is critically different. The Eleventh Circuit *must* follow the decisions of the Supreme Court of Alabama on issues of substantive Alabama law. *See, e.g., Exxon Corp. v. Eagerton*, 462 U.S. 176, 181 n.3 (1983); *Erie Railroad v. Tompkins*, 304 U.S. 64 (1938). And the Supreme Court of Alabama, in a case containing "no legitimate, factual or legal distinction," will resolve "the identical issues of Alabama law" that control this case. *Beech v. Outboard Marine Corp.*, Civil Action No. 89-AT-0789-M, Memorandum Opinion at 3-4 (N.D. Ala., Sept. 19, 1990); Pet. App. 17a-18a (hereafter "Mem. Op."). Respondent cannot avoid the inevitable conclusion that Elliott will be the only litigant subjected to the Eleventh Circuit's erroneous prediction and misconstruction of Alabama law if the state court ruling on state law is different from the Eleventh Circuit's prediction. In this narrow context, fundamental fairness and principles of comity and cooperative judicial federalism call for this Court to vacate the Court of Appeals' decision.

2. Respondent's assertion that Elliott has not articulated an error of federal law is baffling. Petitioner demonstrates at length that the Eleventh Circuit failed to employ the appropriate method of analysis under

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[1] Defendant Outboard Marine Corporation's brief must be filed by January 11, 1991. *See Beech v. Outboard Marine Corp.*, No. 89-1815, Order (Dec. 13, 1990); 2a.

this Court's *Erie* decision in attempting to ascertain Alabama law. Pet. 15-18.

Perhaps because it realizes that the Eleventh Circuit's analysis is indefensible and that the court's speculation on Alabama law is incorrect, respondent grossly mischaracterizes petitioner's argument and then knocks down the strawman it has erected. Thus, respondent unjustifiably charges Elliott with arguing that "the Eleventh Circuit ignored Alabama authorities and rendered its decision solely on the basis of rulings from other jurisdictions." Opp. 9 n.3. This charge is plainly false. As petitioner frankly discusses (Pet. 17 n.21), the Eleventh Circuit intoned Alabama precedents in beginning in analysis. But as the District Court explained in *Beech v. Outboard Motor Corp.*, the case on which the court, and respondent, rely—*General Motors Corp. v. Edwards*, 482 So.2d 1176 (Ala. 1985)—is not controlling. Mem. Op.; Pet. App. 16a. In *General Motors*, the state court did not rule upon the legal issues presented here.

Respondent stubbornly resists recognition that the Court of Appeals cited no Alabama authority supporting its two narrow, outcome-determinative rulings on Alabama state law: that an unguarded boat propeller is not dangerous beyond the reasonable expectations of an ordinary consumer, *see* 903 F.2d at 1507; Pet. App. 6a; and that the lack of a propeller guard on the market at the time this motor was manufactured precluded a finding that a safer alternative design was available, *see* 903 F.2d at 1509-1510; Pet. App. 8a-11a. Respondent makes no attempt to defend the court's unexplained and inexplicable reliance on precedents from other jurisdictions on these two issues of law. *See* Pet. 17-18. Respondent may approve of the federal court's decision as to what it thought Alabama law should be, but that cannot substitute for proper consideration of what Alabama law is. The Supreme Court of Alabama will definitively articulate Alabama law regarding these two specific issues in respond-

ing to certified questions 2 and 3 in *Beech*. *See* Pet. App. 24a. And the state court is most likely to disagree with the Eleventh Circuit's views.[2]

Had this litigation proceeded in the Alabama courts, Elliott's lawsuit would have been resolved under the correct and controlling statement of Alabama law, which the Supreme Court of Alabama will articulate imminently; instead, petitioner was subjected to the Eleventh Circuit's faulty analysis and almost certainly incorrect prediction. This discrimination, which occurred only because of the "fortuitous circumstances of residence out of [the] State of one of the parties to the litigation," *Guaranty Trust Co. v. York*, 326 U.S. 99, 112 (1945), should not be sanctioned by this Court.

3. Respondent seeks to avoid the patent injustice evident here by denying that the questions certified in *Beech* are "identical" to the outcome-determinative issues of Alabama law decided by the Eleventh Circuit below. *See* Opp. 17-19.[3] Respondent's denial is unavailing. The District Court Judge who considered numerous motions in this case, presided over the trial on the merits, and upheld the jury's verdict, and who has presided over the *Beech* case for over one and one-half years, ruled

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[2] Respondent spends most of its energy defending the Eleventh Circuit's decision. But it fails to explain why the Supreme Court of Alabama accepted the certified questions if it thought the Eleventh Circuit had ruled correctly. In any event, respondent is wrong. Respondent, for example, makes no attempt to reconcile the court of appeals' decision with the Alabama precedent demonstrating that the "open and obvious" complete defense is not recognized in Alabama. *See* Pet. 19. *Compare Lovell v. Marion Power Shovel Co.*, 909 F.2d 1088 (7th Cir. 1990) (discerning that Indiana law recognizes no such defense).

[3] Strangely, respondent recites at length the *Beech* plaintiff's *unsuccessful* arguments regarding the alleged factual differences between the two cases. Opp. 18-19 & n.8. In deciding to certify questions, the District Court flatly rejected these arguments, explicitly holding that there is "no legitimate, factual . . . distinction between [the two cases]." Mem. Op. at 4; Pet. App. 18a.

that there is no legitimate distinction, either factual or legal, between the two cases. *Beech*, Mem. Op. at 3-4; Pet. App. 17a-18a. That same judge drafted the certified questions of Alabama law that the Supreme Court of Alabama will soon resolve. The judge carefully explained that the questions were based on the factual and legal issues presented in *Elliott*. *See id.*[4] Thus, the certified questions in *Beech*, if answered favorably to Elliott, will mandate a different outcome here.

4. As discussed in the Petition for Certiorari and above, petitioner has demonstrated ample reason for granting certiorari in this case, but there is more. This case presents the precise issue this Court will resolve in *Salve Regina College v. Russell*, No. 89-1629—the proper standard of review regarding a district court's resolution of state law issues in a diversity case.[5]

In *Salve Regina College*, the court of appeals deferred to the district court's ruling on state law issues of first impression. *See Russell v. Salve Regina College*, 890 F.2d 484 (1st Cir. 1989). In this regard, the court followed the traditional, accepted practice, which recognizes that the district court judge has greater familiarity with the law of the State in which he or she sits. *See, e.g., United States v. Hohri*, 482 U.S. 64, 74 n.6 (1987). Petitioner in *Salve Regina College* argues that every party is entitled to *de novo* appellate review of a district court de-

---

[4] Thus, respondent is simply wrong in asserting that the certified questions in *Beech* do not present the same issues decided in this case. Contrary to respondent's contention, questions 1, 2, 4 and 5 do *not* assume the existence of a feasible propeller guard. Opp. 19. That is the very issue those questions seek to resolve.

[5] This Court's grant of certiorari in *Salve Regina College* refutes respondent's suggestion that cases controlled by state law do not warrant this Court's attention. Like *Salve Regina College*, this case "involv[es] fundamental questions of fairness and the allocation of power between the federal and state judiciaries." *Salve Regina College v. Russell*, No. 89-1629, Petitioner's Brief on the Merits at 13. *See* Pet. 3, 12.

cision on issues of state law.[6] *See In re McLinn*, 739 F.2d 1395, 1397 (9th Cir. 1984) (en banc) (rejecting the rule of deference and replacing it with an "independent de novo standard" of review).

As in *In re McLinn*, the Eleventh Circuit utilized a *de novo* standard in reviewing the outcome-determinative issues of state law in this case; the court accorded *no* deference whatsoever to the District Court's decision despite the fact that the state law questions arise under the law of the District Court's home jurisdiction.[7] Elliott notes in her Petition that, in this regard, the Court of Appeals departed from generally accepted practice among the federal courts of appeals. Pet. 15 n.19. If this Court holds in *Salve Regina College* that a district court's ruling on state law issues (at least regarding the law of the State in which the district judge sits) is entitled to *any* level of deference, the Eleventh Circuit's decision should be vacated and remanded for reconsideration under the proper standard of review. Thus, at the very least, this case should be held pending this Court's decision in *Salve Regina College*.

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[6] Petitioner has requested this Court either to reverse and remand for an independent *de novo* review of the controlling issues of state law, or to reverse and certify those issues to the state supreme court for resolution.

[7] Furthermore, the court of appeals' opinion was written by a senior judge from the Federal Circuit sitting in the Eleventh Circuit by designation. *See* 903 F.2d at 1505 n.**; Pet. App. 1a. *See also United States v. Hohri*, 482 U.S. at 74 n.6 (noting that the "problem" of "Federal Circuit judges . . . not be[ing] familiar with questions of state tort law . . . is mitigated considerably by the fact that those cases are tried before local federal district judges, who are likely to be familiar with the applicable state law, [and] a district judge's determination of a state-law question usually is reviewed with great deference").

CONCLUSION

For all the foregoing reasons, as well as the reasons set forth in the Petition for Certiorari, this Court should grant the Petition for Certiorari, vacate the Eleventh Circuit's decision below and direct the court to reconsider its decision once the Supreme Court of Alabama has answered the state law questions certified in *Beech v. Outboard Marine Corp.*, No. 89-1815. Alternatively, the Court should (1) defer consideration of the Petition for Certiorari pending the Supreme Court of Alabama's decision in *Beech*, and, if the Supreme Court of Alabama rules differently than the Eleventh Circuit, thereafter grant the Petition, vacate the Eleventh Circuit's decision, and remand for reconsideration, or (2) hold the Petition pending this Court's decision in *Salve Regina College v. Russell*, No. 89-1629.

Respectfully submitted,

BRUCE J. ENNIS, JR.*
ANN M. KAPPLER
JENNER & BLOCK
21 Dupont Circle, N.W.
Washington, D.C. 20036
(202) 223-4400

R. BEN HOGAN, III
HOGAN, SMITH, ALSPAUGH, SAMPLES & PRATT, P.C.
2323 Second Avenue North
Birmingham, Alabama 35203
(205) 324-5635
Counsel for Petitioner Ashley Elliott

JANUARY 1991

* Counsel of Record

APPENDICES

APPENDIX A

IN THE UNITED STATES COURT OF APPEALS
FOR THE ELEVENTH CIRCUIT

No. 90-7686

IN RE: OUTBOARD MARINE CORPORATION,
Petitioner.

On Petition for Writ of Mandamus to the
United States District Court for the
Northern District of Alabama

ON PETITION(S) FOR REHEARING

(Nov. 28, 1990)

BEFORE: FAY, COX and BIRCH, Circuit Judges.

PER CURIAM:

The petition(s) for rehearing filed by Outboard Marine Corporation is denied.

ENTERED FOR THE COURT:

/s/ Emmett R. Cox
United States Circuit Judge

APPENDIX B

IN THE SUPREME COURT OF ALABAMA

December 13, 1990

89-1815

Ex parte Matthew Beech, a minor, who sues through his father and next friend, Thomas L. Beech v. Outboard Marine Corporation

CERTIFIED QUESTION FROM THE UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF ALABAMA, MIDDLE DIVISION
(89-AR-0789-M)

ORDER

The United States Court of Appeals for the Eleventh Circuit denied the petition for rehearing on the petition for writ of mandamus filed by the defendant, Outboard Marine Corporation, it is, therefore, ordered that the stay entered by this Court on October 23, 1990, is lifted. The brief of the defendant, Outboard Marine Corporation, is due to be filed in this Court within 21 days from the date of this order.

I, Robert G. Esdale, as Clerk of the Supreme Court of Alabama, do hereby certify that the foregoing is a full, true and correct copy of the instrument(s) herewithin set out as same appear(s) of record in said Court.

Witness-my-hand this 13th day of Dec., 1990.

/s/ Robert G. Esdale
Clerk
Supreme Court of Alabama